

For Translation Purposes Only

July 17, 2020

SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED MAY 31, 2020 (December 1, 2019 – May 31, 2020)

Name of issuer: United Urban Investment Corporation (United Urban)
Listing: Tokyo Stock Exchange
Securities code: 8960
URL: <https://www.united-reit.co.jp/en/>
Representative: Ikuo Yoshida, Executive Officer
Asset Management Company: Japan REIT Advisors Co., Ltd.
Representative: Norimasa Gaun, President and Chief Executive Officer
Inquiries: Takehide Sasaki, Chief Financial Officer
TEL: +81-3-5402-3680

Scheduled date of filing of Securities Report: August 26, 2020
Scheduled date for commencing dividend payments: August 14, 2020
Supplementary Materials on Financial Results: Scheduled
Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

(Amounts are rounded down to the nearest millions of yen, unless otherwise indicated)

1. Performance for the Fiscal Period Ended May 31, 2020 (December 1, 2019 – May 31, 2020)

(1) Business Results

(Percentage figures show the increase/decrease rate compared to the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended May 31, 2020	23,565	(4.5)	10,622	(8.2)	9,633	(8.6)	9,633	(8.6)
Fiscal period ended November 30, 2019	24,671	(9.5)	11,565	(14.8)	10,544	(15.1)	10,543	(15.1)

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended May 31, 2020	3,089	2.6	1.4	40.9
Fiscal period ended November 30, 2019	3,388	2.9	1.6	42.7

(2) Distributions

	Cash Distributions per Unit (excluding excess of earnings)	Total Cash Distributions (excluding excess of earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended May 31, 2020	3,470	10,820	—	—	112.3	2.9
Fiscal period ended November 30, 2019	3,435	10,711	—	—	101.3	2.9

Notes: 1. "Payout Ratio" is rounded down to the nearest one decimal place.

2. For the fiscal period ended November 30, 2019, because a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve for reduction entry (¥93 million) were added to the net income, and a calculation of net income per unit was based on an average number of investment units during the period due to an issuance of new investment units, there was a difference between cash distribution per unit and net income per unit. For the fiscal period ended May 31, 2020, because a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve for reduction entry (¥1,109 million) were added to the net income, there was a difference between cash distribution per unit and net income per unit.

(3) Financial Position

	Total Assets	Total Unitholders' Equity (Net Asset)	Equity Ratio	Net Asset per Unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended May 31, 2020	694,089	366,863	52.9	117,647
Fiscal period ended November 30, 2019	678,208	367,970	54.3	118,002

(4) Conditions of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended May 31, 2020	12,668	(21,576)	8,045	49,612
Fiscal period ended November 30, 2019	14,229	(19,812)	(12,561)	50,475

2. Forecasts of Results for the Fiscal Period Ending November 30, 2020 (June 1, 2020 – November 30, 2020) and the Fiscal Period Ending May 31, 2021 (December 1, 2020 – May 31, 2021)

(Percentage figures show the increase/decrease rate compared to the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distributions per Unit (excluding excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending November 30, 2020	21,918	(7.0)	8,109	(23.7)	7,095	(26.4)	7,095	(26.4)	2,300	—
Fiscal period ending May 31, 2021	23,910	9.1	10,580	30.5	9,590	35.2	9,589	35.2	3,100	—

[Reference] Estimated net income per unit (full business year):

Fiscal period ending November 30, 2020 ¥2,275 Fiscal period ending May 31, 2021 ¥3,075

Note: The resource for cash distributions for the fiscal period ending November 30, 2020 and May 31, 2021 are the result of adding a reversal of reserve for temporary difference adjustments (each period: ¥77 million) to the net income respectively. Therefore, it differs from “net income” of each fiscal period.

*** Other**
(1) Change in Accounting Policies, Change in Accounting Estimate, and Restatement

- Changes in accounting policies in accordance with a revision of the accounting rules: Not Applicable
- Changes in accounting policies other than 1, above: Not Applicable
- Changes in accounting estimate: Not Applicable
- Restatement: Not Applicable

(2) Total Number of Investment Units Issued and Outstanding

- Total number of investment units issued at the end of the fiscal period (including treasury investment units)
 - As of May 31, 2020: 3,118,337 units
 - As of November 30, 2019: 3,118,337 units
- Treasury investment units at the end of the fiscal period
 - As of May 31, 2020: None
 - As of November 30, 2019: None

Note: For the number of investment units used as the basis for the calculation of net income per unit, please refer to “Notes to Per Unit Information” on page 27.

(3) Rounding of Fractions of Amounts and Ratios

Unless otherwise specifically indicated, amounts in this report have been rounded down to the units stated and the ratios have been rounded to the nearest one decimal place.

- This report (“Brief Report on the Closing of Accounts” (*Kessan-Tanshin*)) is not subject to audits by a certified public accountant or an audit corporation.
- Special Instruction
Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2020 (34th fiscal period: from June 1, 2020 to November 30, 2020) and the Fiscal Period Ending May 31, 2021 (35th fiscal period: from December 1, 2020 to May 31, 2021)” on page 10.

DISCLAIMER

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts” (*Kessan-Tanshin*) for the fiscal period ended May 31, 2020. This translation is provided for information purpose only and is not intended to constitute a statutory document for an offer to sell, or seeking an offer to buy, any securities of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation; the Japanese versions of the *Kessan-Tanshin* should always be referred to as the originals of this document.

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1. Management Status

(1) Management Status

1. Overview during the period

a. Investment environment and operation

(i) Investment environment

Japanese economy in this fiscal period experienced a significant slowdown due to the global spread of COVID-19. Japanese real GDP growth rate in Q1 2020 resulted in minus 2.2% on an annual basis (revised figure). After the declaration of state of emergency in April 2020 (Note), consumer spending and corporate capital investment fell into stagnation in earnest and the economy dropped further. While the continued low interest policy has been supporting a favorable financing environment, financial market tumbled during this period, and an uncertainty grew accordingly.

Since the state of emergency was lifted, it has been getting certain that the economy is resuming slowly in Japan. Similar momentum has been seen in countries and regions around the world. However, there remains the self-restraint requests to go out and the constraints to use facilities across Japan. Moreover, the restrictions or self-restraint requests for overseas travel continue globally, and it will likely to take some time to see a full recovery of the Japanese economy.

In the real estate investment market, an investment appetite of domestic and foreign investors continues to be strong amid a global low-interest rate environment, and property acquisitions remain highly competitive. However, cancellations or postponements of transactions are becoming a case as investors cannot inspect properties under the restrictions or self-restraint requests for travel, and a wait-and-see attitude is getting the momentum. While yields are still compressed overall, some areas or asset types have started to see a shift from a declining trend to a flat or reverse trend.

Real estate leasing market were strong across almost all asset types. Demand of residential properties and logistic facilities remains robust even under COVID-19 pandemic, and occupancy ratio and rental level of both asset types remain stable across the country.

On the other hand, an impact of COVID-19 pandemic is significant in hotel and retail sectors. The number of foreign visitors to Japan in May 2020 was minus 99.9% year-on-year, recording an eight consecutive month drop since October 2019. Since the end of February 2020 in particular, when COVID-19 started to spread in earnest in Asia, not only foreign visitors but also domestic travel demand saw a major decline, and hotel business plunged in general. While a stable business condition has been kept in retail stores selling living essentials, the self-restraint requests of business as well as going out forced a sharp decline in number of customers in industries such as food and beverage, services and fitness. The state of emergency is now lifted, but business reopening needs to cope with some restrictions, and hotel and retail sectors are still facing difficulties in operation.

Vacancy rate of office buildings remains low nationwide, and rental level continues a moderate increase. However, it is important to carefully watch the current recession affected by COVID-19 pandemic and potential changes in office tenant's needs associated with expanding momentum of working from home.

Note: Issued in April 7, 2020 for seven prefectures including Tokyo under Article 32, Paragraph 1 of the Act on Special Measures Concerning Pandemic Influenza (Act No. 31 of 2012, as amended), followed by all prefectures in April 16, 2020. In May 25, 2020, the state of emergency was lifted.

(ii) New acquisition and sale of properties

During the period, United Urban acquired the following nine properties.

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
C20	the square hotel KANAZAWA	Hotel	Kanazawa, Ishikawa	4,802	December 3, 2019
E14	Chibaminato Logistics Center (Site)	-	Chiba, Chiba	6,600	February 28, 2020
E5	Logistics Higashi-Ohgishima (additional acquisition) (Note 3)	Warehouse	Kawasaki, Kanagawa	5,292	March 19, 2020
D31	Park Axis Akatsuka (Note 4)	Apartment	Itabashi-ku, Tokyo	1,980	March 30, 2020
C21	NEST HOTEL KYOTO SHIJOKARASUMA	Hotel	Kyoto, Kyoto	2,010	March 31, 2020

Property No.	Property Name	Type (Note 1)	Location	Acquisition Price (Millions of yen) (Note 2)	Acquisition Date
D32	UUR Court Shirasagi	Apartment	Nakano-ku, Tokyo	1,442	March 31, 2020
D33	Court Branche AP	Apartment	Shinagawa-ku, Tokyo	1,270	
E15	Hirakata Nagao Logistics Center	Warehouse	Hirakata, Osaka	2,550	
E16	Kobe Toyahama Logistics Center	Warehouse	Kobe, Hyogo	1,300	April 17, 2020
Total				27,246	

On the other hand, United Urban sold the following property.

Property No.	Property Name	Type (Note 1)	Location	Sale Price (Millions of yen) (Note 2)	Date of Sale
B34	Pacific Marks Esaka	Office	Suita, Osaka	10,022	March 31, 2020

- Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements, etc. concerning the acquisition or sale of each property. The acquisition price is rounded to the nearest whole unit. In addition, the amount of each price does not include expenses related to the acquisition or sales and consumption tax, etc. The same shall apply hereinafter.
3. United Urban additionally acquired 49% quasi co-ownership of the trust beneficial interest in Logistics Higashi-Ohgishima. Together with its existing 51% quasi co-ownership, United Urban currently holds 100% quasi co-ownership of the property.
4. United Urban acquired 45% co-ownership of Park Axis Akatsuka.

(iii) Portfolio overview

As a result of the acquisition and sale of properties mentioned above (ii), United Urban held a total of 129 properties, comprising 34 retail properties, 32 office buildings, 1 retail-office complex, 20 hotels, 2 office-hotel complexes, 24 residential properties and 16 others, with an aggregate acquisition price of ¥661,492 million at the end of the 33rd fiscal period (as of May 31, 2020). In addition, the total leasable floor space was 1,522,162.03 sq. m. and the total numbers of tenants were 2,691.

United Urban has continued to focus on maintaining occupancy ratios during the period despite economic slowdown due to the spread of COVID-19. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 97.1% and 99.2%, and stood at 97.1% at the end of the 33rd fiscal period (as of May 31, 2020).

b. Financing overview

During the period, United Urban procured debt financing to support the payment for acquiring specified assets and the repayment of interest-bearing liabilities.

The status of interest-bearing liabilities at the end of the previous period and the end of the 33rd fiscal period are as follows.

		(Millions of yen)		
		Balance at the end of the 32nd Fiscal Period (As of November 30, 2019)	Balance at the end of the 33rd Fiscal Period (As of May 31, 2020)	Changes
	Short-term borrowings	-	-	-
	Long-term borrowings (borrowings due for repayment within one year)	243,777 (35,377)	262,533 (49,933)	+18,756 (+14,556)
	Total of borrowings	243,777	262,533	+18,756
	Corporate bonds (corporate bonds that is to become due for maturity within one year)	27,000 (-)	27,000 (-)	- (-)
	Total of interest-bearing liabilities	270,777	289,533	+18,756

Moreover, the details of ratings of United Urban as of June 30, 2020 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency Ltd.	Long-Term Issuer Rating: AA	Rating Outlook: Stable
Moody's Japan K.K.	Long-Term Issuer Rating: A3	Rating Outlook: Stable

c. Overview of financial results and distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥23,565 million (down by 4.5% from the previous period), profit from rental activities of ¥12,705 million (down by 7.9% from the previous period), operating income of ¥10,622 million (down by 8.2% from the previous period), ordinary income of ¥9,633 million (down by 8.6% from the previous period), and net income of ¥9,633 million (down by 8.6% from the previous period).

During the period under the review, United Urban added ¥77 million, which is the reversal of the reserve for temporary difference adjustments in accordance with “Ordinance on Accountings of Investment Corporations” and “Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” stipulated by the Investment Trusts Association, Japan, and ¥1,109 million, which is a portion of the reversal of the reserve for reduction entry in accordance with the Article 65-7 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended; the same shall apply hereinafter), to ¥9,633 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥10,820 million, and cash distribution per unit was ¥3,470. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied during the fiscal period, and the corporate tax is not imposed.

2. Outlook for the next fiscal period

a. Outlook for overall operation

While the state of emergency was gradually lifted in the end of May 2020, it is expected that the Japanese economy continues to face difficulties due to COVID-19 pandemic for the meanwhile. Portfolio of United Urban is quite diverse with various asset types, but it is difficult to avoid a negative impact of COVID-19 as the economy has been largely suppressed. Amid an uncertainty of outlook, great caution toward global economy and financial market is required.

While United Urban closely assess a level of impact of COVID-19 pandemic on global and local economy as well as business conditions of our tenants, United Urban continues to enhance an internal growth by maintaining/improving occupancy ratio, revising terms and conditions in leasing contracts, etc. to strengthen a profitability further. Moreover, United Urban pursues investment opportunities for various types of assets with a cautious attention to real estate investment market and remains persistent in selective investment through varied acquisition approaches.

Regarding the financial management, United Urban makes continued efforts to create a robust and stable financial standing by reducing financial costs, extending and diversifying the maturities for interest-bearing liabilities and ensuring enough liquidity.

Having an eye on a sustainable growth of United Urban, i.e. maximization of investor's value, engagement with stakeholders, and coexistence with the environment and society, United Urban is dedicated not only to the improvement in aforementioned financial aspects, but also to the resolutions for non-financial issues associated with ESG (Environment, Society, and Governance) and SDGs (Sustainable Development Goals).

b. Outlook for management status

(i) Material facts arising after the end of 33rd fiscal period and other material events

There are no material facts arising after the end of the fiscal period (May 31, 2020). In addition, the reference information is as follows:

A. New borrowing for repayment

United Urban procured debt financing of a total of ¥8,050 million on June 22, 2020 for the repayment of the existing borrowings (¥8,050 million) upon their maturity on June 22, 2020, as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 2C	Sumitomo Mitsui Trust Bank, Limited	2,000	0.48270%	June 22, 2020	June 21, 2027	Unsecured Unguaranteed
Term Loan 3C	Mizuho Bank, Ltd.	1,000	0.36378%		June 20, 2025	
Term Loan 4C	Sumitomo Mitsui Banking Corporation	1,650	0.30000%		June 20, 2024	
Term Loan 5C	Mizuho Trust & Banking Co., Ltd.	500	0.53275%		June 21, 2027	
Term Loan 6C	Development Bank of Japan Inc.	900	0.50000%		June 21, 2027	
Term Loan 7C	Aozora Bank, Ltd.	1,000	0.33623%		June 20, 2024	
Term Loan 8C		1,000	0.39751%		June 20, 2025	
Total		8,050				

B. Acquisition of property and debt financing

1) United Urban acquired the following property on June 30, 2020.

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
E17	REDWOOD Narita Distribution Centre (Note)	Warehouse	Sanbu, Chiba	2,345	June 30, 2020

Note: United Urban acquired 50% quasi co-ownership of the trust beneficial interest in REDWOOD Narita Distribution Centre.

2) United Urban procured debt financing to support for acquiring the property mentioned above 1), as set for the below.

Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 9C	The Norinchukin Bank	1,500	0.39596%	June 30, 2020	June 21, 2027	Unsecured Unguaranteed
Term Loan 10C	MUFG Bank, Ltd.	1,000	0.36000%			
Total		2,500				

C. New committed line of credit agreement

United Urban concluded a new committed line of credit agreement on June 26, 2020, as set forth below.

Outline of the new committed line of credit agreement

Participating financial institutions : Sumitomo Mitsui Trust Bank Limited
Mizuho Bank, Ltd.
MUFG Bank, Ltd.

Maximum loan amount : ¥24,000 million
Date of agreement : June 26, 2020
Term of agreement : From June 26, 2020 to June 25, 2021
Remarks : Unsecured, unguaranteed

(ii) Outlook for management status

For the fiscal period ending November 30, 2020 (34th fiscal period: from June 1, 2020 to November 30, 2020) and the fiscal period ending May 31, 2021 (35th fiscal period: from December 1, 2020 to May 31, 2021), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2020 (34th fiscal period: from June 1, 2020 to November 30, 2020) and the Fiscal Period Ending May 31, 2021 (35th fiscal period: from December 1, 2020 to May 31, 2021)” below.

Fiscal Period Ending November 30, 2020

Operating revenues:	¥21,918 million	Cash distributions per unit (Note 1):	¥2,300
Operating income:	¥8,109 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥7,095 million		
Net income (Note 1):	¥7,095 million		

Fiscal Period Ending May 31, 2021

Operating revenues:	¥23,910 million	Cash distributions per unit: (Note 1)	¥3,100
Operating income:	¥10,580 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥9,590 million		
Net income (Note 1):	¥9,589 million		

- Notes: 1. The resource for cash distributions for the fiscal period ending November 30, 2020 and May 31, 2021 are the result of adding a reversal of reserve for temporary difference adjustments (each period: ¥77 million) to the net income, respectively. Therefore, it differs from “net income” of each fiscal period. In addition, cash distributions per unit is based on the total number of investment units issued and outstanding of 3,118,337 units as of the date hereof, and it is based on the assumption that there will be no additional issuance of investment units until May 31, 2021.
2. The above-listed forward-looking statements are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending November 30, 2020
(34th fiscal period: from June 1, 2020 to November 30, 2020) and the Fiscal Period Ending May 31, 2021
(35th fiscal period: from December 1, 2020 to May 31, 2021)

Item	Assumptions																		
Terms	<ul style="list-style-type: none"> Fiscal period ending November 30, 2020 (34th fiscal period: from June 1, 2020 to November 30, 2020) (183 days) Fiscal period ending May 31, 2021 (35th fiscal period: from December 1, 2020 to May 31, 2021) (182 days) 																		
Investment Assets	<ul style="list-style-type: none"> The forecasts of financial results are based on a portfolio of 130 properties owned by United Urban as of the date hereof. The forecasts are also based on the assumption that there will be no change of properties (acquisition of new property or sale of existing property, etc.) until May 31, 2021 (the end of the 35th fiscal period). However, the forecasts may be changed by the change of properties in actually. 																		
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> The forecasts are based on 3,118,337 units issued and outstanding as of the date hereof. The forecasts are also based on the assumption that there will be no additional issuance of investment units until May 31, 2021 (the end of the 35th fiscal period). 																		
Operating Revenues	<ul style="list-style-type: none"> Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of the date hereof by taking into account a certain effect of tenants' move-in and departures for the expected rent and estimated occupancy ratio in the future, while taking into consideration the existence of neighboring competitive properties, market trends, status of negotiation for the lease terms with each tenant, and other conditions. In addition, with the impact of the spread of COVID-19 infection, United Urban considers the impact on operating revenues such as the status of discussion with tenants as of the date hereof concerning temporary decrease in rent or extension on payment, decrease in variable rent, and increase in vacancy rate. Therefore, United Urban anticipates ¥2,881 million for the fiscal period ending November 30, 2020 and ¥745 million for the fiscal period ending May 31, 2021 as the risk of decreased revenues. Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below. <table border="1" data-bbox="507 1153 1396 1326"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending November 30, 2020</th> <th>Fiscal period ending May 31, 2021</th> </tr> </thead> <tbody> <tr> <td>Rental revenues (including common area charges)</td> <td>¥ 19,120 million</td> <td>¥ 21,319 million</td> </tr> <tr> <td>Parking revenues</td> <td>¥ 752 million</td> <td>¥ 774 million</td> </tr> <tr> <td>Utility revenues (electricity, water, gas, etc.) from tenants</td> <td>¥ 1,635 million</td> <td>¥ 1,412 million</td> </tr> </tbody> </table> The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants. 	Major Item	Fiscal period ending November 30, 2020	Fiscal period ending May 31, 2021	Rental revenues (including common area charges)	¥ 19,120 million	¥ 21,319 million	Parking revenues	¥ 752 million	¥ 774 million	Utility revenues (electricity, water, gas, etc.) from tenants	¥ 1,635 million	¥ 1,412 million						
Major Item	Fiscal period ending November 30, 2020	Fiscal period ending May 31, 2021																	
Rental revenues (including common area charges)	¥ 19,120 million	¥ 21,319 million																	
Parking revenues	¥ 752 million	¥ 774 million																	
Utility revenues (electricity, water, gas, etc.) from tenants	¥ 1,635 million	¥ 1,412 million																	
Operating Expenses	<ul style="list-style-type: none"> Of the property-related expenses, which are the principal component of the operating expenses, expenses other than depreciation and amortization are calculated based on historical data for the properties and reflect factors that may cause fluctuations in expenses. United Urban anticipates each major item of the property-related expenses as set forth below. <table border="1" data-bbox="507 1545 1396 1787"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending November 30, 2020</th> <th>Fiscal period ending May 31, 2021</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td> <td>¥ 2,061 million</td> <td>¥ 2,070 million</td> </tr> <tr> <td>Property management fees</td> <td>¥ 1,724 million</td> <td>¥ 1,729 million</td> </tr> <tr> <td>Utilities</td> <td>¥ 1,578 million</td> <td>¥ 1,411 million</td> </tr> <tr> <td>Repairs and maintenance (Note 2)</td> <td>¥ 1,436 million</td> <td>¥ 1,220 million</td> </tr> <tr> <td>Depreciation and amortization (Note 3)</td> <td>¥ 4,107 million</td> <td>¥ 4,132 million</td> </tr> </tbody> </table> <p>Notes: 1. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period starting from the time United Urban acquires the assets. However, United Urban does not allocate such reimbursement as its expenses, because an amount equivalent to such reimbursement is included in the cost of acquisition and is capitalized. Therefore, the property taxes and city planning taxes for the following nine properties acquired in 2020 will be imposed up from the fiscal period ending November 30, 2021. It is expected that the estimated full amount of those taxes will be ¥44 million.</p>	Major Item	Fiscal period ending November 30, 2020	Fiscal period ending May 31, 2021	Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥ 2,061 million	¥ 2,070 million	Property management fees	¥ 1,724 million	¥ 1,729 million	Utilities	¥ 1,578 million	¥ 1,411 million	Repairs and maintenance (Note 2)	¥ 1,436 million	¥ 1,220 million	Depreciation and amortization (Note 3)	¥ 4,107 million	¥ 4,132 million
Major Item	Fiscal period ending November 30, 2020	Fiscal period ending May 31, 2021																	
Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥ 2,061 million	¥ 2,070 million																	
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Utilities	¥ 1,578 million	¥ 1,411 million																	
Repairs and maintenance (Note 2)	¥ 1,436 million	¥ 1,220 million																	
Depreciation and amortization (Note 3)	¥ 4,107 million	¥ 4,132 million																	

	<table border="1" data-bbox="643 210 1402 495"> <thead> <tr> <th>Acquisition Date</th> <th>Property Name</th> </tr> </thead> <tbody> <tr> <td>February 28, 2020</td> <td>Chibaminato Logistics Center (Site)</td> </tr> <tr> <td>March 19, 2020</td> <td>Logistics Higashi-Ohgishima (additional acquisition) (*1)</td> </tr> <tr> <td>March 30, 2020</td> <td>Park Axis Akatsuka (*2)</td> </tr> <tr> <td rowspan="3">March 31, 2020</td> <td>NEST HOTEL KYOTO SHIJOKARASUMA</td> </tr> <tr> <td>UUR Court Shirasagi</td> </tr> <tr> <td>Court Branche AP</td> </tr> <tr> <td>April 17, 2020</td> <td>Hirakata Nagao Logistics Center</td> </tr> <tr> <td>June 30, 2020</td> <td>Kobe Toyahama Logistics Center</td> </tr> <tr> <td></td> <td>REDWOOD Narita Distribution Centre (*3)</td> </tr> </tbody> </table> <p data-bbox="612 510 1414 535">(*1) United Urban acquired 49% quasi co-ownership of the trust beneficial interest of the property.</p> <p data-bbox="612 535 1123 560">(*2) United Urban acquired 45% co-ownership of the property.</p> <p data-bbox="612 560 1414 584">(*3) United Urban acquired 50% quasi co-ownership of the trust beneficial interest of the property.</p> <ol data-bbox="585 593 1414 757" style="list-style-type: none"> Actual repairs and maintenance for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damage to buildings owing to unexpected factors, the large variance in amounts among fiscal years and the fact that these amounts do not accrue on a regular basis. Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures (including undetermined expenditures as of this moment). <ul data-bbox="472 766 1428 819" style="list-style-type: none"> Other operating expenses, such as asset management fees are calculated based on the track record with consideration of factors that may cause fluctuations in expenses. 	Acquisition Date	Property Name	February 28, 2020	Chibaminato Logistics Center (Site)	March 19, 2020	Logistics Higashi-Ohgishima (additional acquisition) (*1)	March 30, 2020	Park Axis Akatsuka (*2)	March 31, 2020	NEST HOTEL KYOTO SHIJOKARASUMA	UUR Court Shirasagi	Court Branche AP	April 17, 2020	Hirakata Nagao Logistics Center	June 30, 2020	Kobe Toyahama Logistics Center		REDWOOD Narita Distribution Centre (*3)															
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<p data-bbox="256 913 405 967">Non-Operating Expenses</p>	<ul data-bbox="472 846 1342 873" style="list-style-type: none"> United Urban anticipates the non-operating expenses per major item, as set forth below. <table border="1" data-bbox="507 889 1425 987"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending November 30, 2020</th> <th>Fiscal period ending May 31, 2021</th> </tr> </thead> <tbody> <tr> <td>Interest expenses for interest-bearing liabilities (Note)</td> <td>¥ 997 million</td> <td>¥ 972 million</td> </tr> </tbody> </table> <p data-bbox="512 1003 1292 1030">Note: Including financing-related expenses and interest expenses on corporate bonds, etc.</p>	Major Item	Fiscal period ending November 30, 2020	Fiscal period ending May 31, 2021	Interest expenses for interest-bearing liabilities (Note)	¥ 997 million	¥ 972 million																											
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<p data-bbox="252 1518 410 1572">Interest-bearing Liabilities</p>	<ul data-bbox="472 1043 1428 1164" style="list-style-type: none"> The total balance of interest-bearing liabilities as of the date hereof is ¥292,033 million, of which ¥265,033 million are borrowings and ¥27,000 million are corporate bonds. The interest-bearing liabilities maturing during the fiscal period ending November 30, 2020 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="507 1178 1425 1404"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="6">September 23, 2020</td> <td>Borrowing: ¥2,000 million</td> <td rowspan="6">United Urban plans to repay in full using the proceeds from the new borrowings and cash on hand.</td> </tr> <tr> <td>Borrowing: ¥ 500 million</td> </tr> <tr> <td>Borrowing: ¥4,500 million</td> </tr> <tr> <td>Borrowing: ¥3,283 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td>Borrowing: ¥2,400 million</td> </tr> <tr> <td>Borrowing: ¥2,500 million</td> <td></td> </tr> </tbody> </table> <ul data-bbox="472 1420 1428 1568" style="list-style-type: none"> The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2020 is to be ¥292,030 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. The interest-bearing liabilities maturing during the fiscal period ending May 31, 2021 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="507 1581 1425 1935"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="3">December 21, 2020</td> <td>Borrowing: ¥1,000 million</td> <td rowspan="3">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td>Borrowing: ¥1,300 million</td> </tr> <tr> <td rowspan="7">March 22, 2021</td> <td>Borrowing: ¥1,000 million</td> <td rowspan="7">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td>Borrowing: ¥5,800 million</td> </tr> <tr> <td>Borrowing: ¥1,400 million</td> </tr> <tr> <td>Borrowing: ¥1,400 million</td> </tr> <tr> <td>Borrowing: ¥2,200 million</td> </tr> <tr> <td>Borrowing: ¥5,700 million</td> </tr> <tr> <td>Borrowing: ¥1,900 million</td> </tr> <tr> <td>Borrowing: ¥2,000 million</td> <td></td> </tr> </tbody> </table> <ul data-bbox="472 1955 1428 2038" style="list-style-type: none"> The forecasts are based on the assumption that the total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2021 is to be ¥292,030 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. 	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	September 23, 2020	Borrowing: ¥2,000 million	United Urban plans to repay in full using the proceeds from the new borrowings and cash on hand.	Borrowing: ¥ 500 million	Borrowing: ¥4,500 million	Borrowing: ¥3,283 million	Borrowing: ¥1,000 million	Borrowing: ¥2,400 million	Borrowing: ¥2,500 million		Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	December 21, 2020	Borrowing: ¥1,000 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥1,000 million	Borrowing: ¥1,300 million	March 22, 2021	Borrowing: ¥1,000 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥1,000 million	Borrowing: ¥5,800 million	Borrowing: ¥1,400 million	Borrowing: ¥1,400 million	Borrowing: ¥2,200 million	Borrowing: ¥5,700 million	Borrowing: ¥1,900 million	Borrowing: ¥2,000 million	
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<p>Cash Distributions per Unit</p>	<ul style="list-style-type: none"> • Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban. • The total number of investment units issued and outstanding as of the end of the fiscal period which are used to calculate the cash distribution per unit are based on the assumption given in the “Total Number of Investment Units Issued and Outstanding” column above. • Cash distributions for the fiscal period ending November 30, 2020 are based on the total distribution amount of ¥7,172 million, which is the result adding a reversal of reserve for temporary difference adjustments of ¥77 million to the unappropriated retained earnings of ¥7,095 million. • Cash distributions for the fiscal period ending May 31, 2021 are based on the total distribution amount of ¥9,667 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥77 million to the unappropriated retained earnings of ¥9,589 million. • Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs.
<p>Distributions in Excess of Earnings per Unit</p>	<ul style="list-style-type: none"> • United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit).
<p>Other</p>	<ul style="list-style-type: none"> • Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan, which may affect the aforementioned forecasted figures. • Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions.

(2) Investment Risk

Due to the worldwide spread of COVID-19 infection, in “Investment Risks” of the Securities Report (submitted February 26, 2020), “1) General risks, (d) Risks related to market price fluctuations” was amended today as follows, and “6) Others, (i) Risks related to the spread of infections, etc.” was added. The amendments and additions are underlined.

1) General risks

(d) Risks related to market price fluctuations

The world-wide spread (pandemic) of the Novel Coronavirus Disease (COVID-19) has caused the suspension of business and affected economic activities. On April 7, 2020, the state of emergency in relation to COVID-19 was declared for seven prefectures pursuant to Article 32, Paragraph 1 of the Act on Special Measures for Pandemic Influenza and New Infectious Diseases Preparedness and Response (Act No. 31 of 2012, as amended), and the target areas were expanded to all prefectures on April 16, 2020. The state of emergency was lifted on May 25, 2020, however, the state of emergency and related measures and requests cause suppression tendency of tenant activities, and this may adversely affect the future business results of United Urban. Moreover, in view of not only the entire Japanese economy but also the global situation, the overall stock market has been affected adversely, and the investment units of United Urban are no exception. If the infection spreads widely and the effects are protracted, the overall market may be affected more adversely. As a result, the market price of investment units may decline.

In addition to the above, the market price of the investment units are affected by several factors surrounding the J-REIT market such as the supply-demand balance on the stock exchange, investment trends in real estate related assets, comparisons with investments in other assets, the condition of the equity market, interest rate movement, economic conditions, etc. Moreover, with natural disaster such as an earthquake and other events, there is no guarantee that supply and demand of the real estate investment trust stays in balance, by comparing with difference between investments in real estate and investments in other assets.

If the investment units are temporarily sold in large amounts at the stock exchange, the market price of the investment units may decline significantly. Moreover, if potential large-scale holder sells its investment units at the stock exchange, this may cause a significant decline of the market price of the investment units.

United Urban mainly invests real estate and trust beneficial interest, however, the price of real estate and trust beneficial interest may be especially affected by the real estate market and social situation. Moreover, because the liquidity of real estate is generally low, United Urban may not be able to sell real estate at the ideal timing and price. Thus, prices may decline until the actual timing of sale. If the price of assets owned by United Urban decline due to these factors, the market price of investment units may decline.

In addition, the future market scale of real estate investment trust section of the Tokyo Stock Exchange, the uncertainty of the market liquidity, and changes in legal and tax system may affect the price formation of investment units.

6) Other

(i) Risks related to the spread of infection, etc.

Due to an occurrence and spread of infections, the profits of investment real estate may decline, and United Urban may suffer losses. Especially, if infections, etc. break out in the investment real estate or the surrounding areas, United Urban may have no choice but to suspend its operation. In some retail properties or hotels, or depending on business type of the tenants, some tenants may ask a reduction in rent or extension of rent payments, or fall behind in rent payments due to the spread of the infection, etc., prolongment of an epidemic, business suspension or significant decrease in sales with measures and requests under the state of emergency. Moreover, the vacancy risk due to the moving out of tenant may appear.

In addition, if officers and employees of the asset management company of United Urban, administrative agency, asset custodian, registration agency, and other business contractors (hereinafter, “Related Corporation”) are unable to come to the office in case an epidemic of the infection is prolonged or officers and employees are affected with the infection, United Urban intends to handle the operation by using a teleworking system. However, some operations are not suitable for a teleworking system and there is no guarantee of maintaining the same operating effectiveness as usual. Therefore, the operation of Related Corporation may be delayed, and this may result in adverse impact on the operation of United Urban.

2. Financial Statement

(1) Balance Sheet

	(Thousands of yen)	
	End of 32nd Fiscal Period (as of November 30, 2019)	End of 33rd Fiscal Period (as of May 31, 2020)
ASSETS		
Current Assets		
Cash and bank deposit	22,373,357	23,488,765
Cash and bank deposit in trust	28,101,697	26,123,294
Rent receivables	642,836	609,846
Prepaid expenses	217,160	783,571
Other	44,084	124,672
Allowance for doubtful accounts	(1,815)	(13,142)
Total Current Assets	51,377,321	51,117,007
Fixed Assets		
Property and equipment, at cost		
Buildings	*1 22,944,121	*1 23,577,273
Less accumulated depreciation	(6,969,362)	(7,305,869)
Buildings, net	15,974,758	16,271,403
Structures	*1 193,029	*1 197,741
Less accumulated depreciation	(141,475)	(143,374)
Structures, net	51,554	54,366
Machinery and equipment	346,029	354,394
Less accumulated depreciation	(209,650)	(220,852)
Machinery and equipment, net	136,379	133,541
Tools, furniture and fixtures	73,034	74,296
Less accumulated depreciation	(41,745)	(45,511)
Tools, furniture and fixtures, net	31,289	28,785
Land	*1 47,507,168	*1 55,935,346
Construction in progress	628	4,690
Buildings in trust	*3 240,521,780	*3 243,097,809
Less accumulated depreciation	(58,080,794)	(59,843,904)
Buildings in trust, net	182,440,985	183,253,904
Structures in trust	2,279,080	2,272,744
Less accumulated depreciation	(953,763)	(976,884)
Structures in trust, net	1,325,317	1,295,860
Machinery and equipment in trust	2,661,872	2,712,994
Less accumulated depreciation	(1,435,476)	(1,520,460)
Machinery and equipment in trust, net	1,226,396	1,192,534
Tools, furniture and fixtures in trust	1,372,859	1,442,472
Less accumulated depreciation	(580,219)	(611,661)
Tools, furniture and fixtures in trust, net	792,639	830,811
Land in trust	366,209,701	372,667,782
Construction in progress in trust	68,726	115,101
Total property and equipment	615,765,544	631,784,129
Intangible assets		
Software	12,965	9,424
Leasehold rights	1,149,355	1,149,355
Leasehold rights in trust	8,171,352	8,171,352
Other intangible assets in trust	152,307	144,450
Total intangible assets	9,485,980	9,474,581
Investments and other assets		
Security deposits paid	10,000	10,000
Security deposits paid in trust	81,458	79,768
Long-term prepaid expenses	1,488,436	1,624,341
Total investments and other assets	1,579,894	1,714,109
Total Fixed Assets	626,831,419	642,972,820
TOTAL ASSETS	678,208,740	694,089,828

	(Thousands of yen)	
	End of 32nd Fiscal Period (as of November 30, 2019)	End of 33rd Fiscal Period (as of May 31, 2020)
LIABILITIES		
Current Liabilities		
Trade accounts payable	2,989,192	1,638,632
Long-term debt due for repayment within one year	35,377,000	49,933,000
Accrued expenses	271,786	279,179
Distributions payable	15,856	15,328
Income taxes payable	586	586
Consumption taxes payable	37,623	431,034
Rent received in advance	384,342	363,879
Rent received in advance in trust	3,265,084	3,029,421
Deposits received	3,048	1,018
Deposits received in trust	32,441	580,115
Derivatives liabilities	21,073	6,989
Other	8,605	7,422
Total Current Liabilities	<u>42,406,641</u>	<u>56,286,607</u>
Long-term Liabilities		
Corporate bonds	27,000,000	27,000,000
Long-term debt	208,400,000	212,600,000
Leasehold and security deposits received	*1 3,107,939	*1 3,427,156
Leasehold and security deposits received in trust	29,274,090	27,820,173
Derivatives liabilities	49,798	92,585
Total Long-term Liabilities	<u>267,831,828</u>	<u>270,939,914</u>
Total Liabilities	<u>310,238,470</u>	<u>327,226,522</u>
NET ASSETS		
Unitholders' Equity		
Unitholders' capital	319,973,305	319,973,305
Surplus		
Capital surplus	23,548,287	23,548,287
Voluntary retained earnings		
Reserve for temporary difference adjustments	*4 7,373,149	*4 7,295,624
Reserve retained for distribution	3,204,781	3,207,320
Reserve for reduction entry	3,398,115	3,305,115
Total voluntary retained earnings	<u>13,976,047</u>	<u>13,808,060</u>
Unappropriated retained earnings (unappropriated deficit)	10,543,501	9,633,226
Total surplus	<u>48,067,835</u>	<u>46,989,575</u>
Total Unitholders' Equity	<u>368,041,141</u>	<u>366,962,880</u>
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	(70,871)	(99,574)
Total Valuation and Translation Adjustment	<u>(70,871)</u>	<u>(99,574)</u>
Total Net Assets	*5 367,970,269	*5 366,863,306
TOTAL LIABILITIES and NET ASSETS	<u>678,208,740</u>	<u>694,089,828</u>

(2) Statement of Income and Retained Earnings

	(Thousands of yen)	
	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Operating Revenues		
Rental revenues	*1 22,720,890	*1 21,432,117
Other rental revenues	*1 1,950,491	*1 1,959,542
Gain on sales of real estate properties	-	*2 173,393
Total Operating Revenues	<u>24,671,381</u>	<u>23,565,053</u>
Operating Expenses		
Property-related expenses	*1 10,870,357	*1 10,686,033
Asset management fees	1,917,079	1,954,603
Asset custodian fees	18,143	18,089
Administrative service fees	65,665	65,319
Directors' compensation	10,200	10,200
Provision of allowance for doubtful accounts	-	11,327
Other operating expenses	224,691	197,226
Total Operating Expenses	<u>13,106,137</u>	<u>12,942,800</u>
Operating Income	<u>11,565,243</u>	<u>10,622,252</u>
Non-operating Revenues		
Interest income	120	118
Reversal of cash distributions payable	1,128	1,290
Insurance income	21,242	25,692
Subsidy income	-	519
Compensation income for damage or loss	1,643	14,475
Other	1,951	952
Total Non-operating Revenues	<u>26,087</u>	<u>43,047</u>
Non-operating Expenses		
Interest expenses	954,982	950,167
Interest expenses on corporate bonds	52,388	52,841
Investment unit issuance expenses	26,808	-
Loss on disposal of real estate	5,531	22,031
Other	7,514	6,428
Total Non-operating Expenses	<u>1,047,224</u>	<u>1,031,468</u>
Ordinary Income	<u>10,544,106</u>	<u>9,633,831</u>
Income before Income Taxes	<u>10,544,106</u>	<u>9,633,831</u>
Income Taxes - current	605	605
Total Income Taxes	605	605
Net Income	<u>10,543,501</u>	<u>9,633,226</u>
Retained Earnings Brought Forward	-	-
Unappropriated Retained Earnings (unappropriated deficit)	<u>10,543,501</u>	<u>9,633,226</u>

(3) Statements of Unitholders' Equity

32nd Fiscal Period (From June 1, 2019 to November 30, 2019)

(Thousands of yen)

	Unitholders' Equity					
	Unitholders' Capital	Surplus				
		Capital Surplus	Voluntary Retained Earnings			
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Reserve for Reduction Entry	Total Voluntary Retained Earnings
Balance at the beginning of current period	309,205,625	23,548,287	7,386,911	3,132,645	2,228,115	12,747,672
Changes of items during the period						
Issuance of new investment units	10,767,680					-
Provision of reserve for temporary difference adjustments			63,132			63,132
Reversal of reserve for temporary difference adjustments			(76,894)			(76,894)
Provision of reserve retained for distribution				72,136		72,136
Provision of reserve for reduction entry					1,170,000	1,170,000
Cash distribution disbursed						-
Net income						-
Net changes during the period except for items under unitholders' equity						-
Total changes of items during the period	10,767,680	-	(13,761)	72,136	1,170,000	1,228,374
Balance at the end of current period	* 319,973,305	23,548,287	7,373,149	3,204,781	3,398,115	13,976,047

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	12,413,047	48,709,008	357,914,633	(125,202)	(125,202)	357,789,430
Changes of items during the period						
Issuance of new investment units		-	10,767,680		-	10,767,680
Provision of reserve for temporary difference adjustments	(63,132)	-	-		-	-
Reversal of reserve for temporary difference adjustments	76,894	-	-		-	-
Provision of reserve retained for distribution	(72,136)	-	-		-	-
Provision of reserve for reduction entry	(1,170,000)	-	-		-	-
Cash distribution disbursed	(11,184,673)	(11,184,673)	(11,184,673)		-	(11,184,673)
Net income	10,543,501	10,543,501	10,543,501		-	10,543,501
Net changes during the period except for items under unitholders' equity	-	-	-	54,331	54,331	54,331
Total changes of items during the period	(1,869,546)	(641,172)	10,126,507	54,331	54,331	10,180,839
Balance at the end of current period	10,543,501	48,067,835	368,041,141	(70,871)	(70,871)	367,970,269

33rd Fiscal Period (From December 1, 2019 to May 31, 2020)

(Thousands of yen)

	Unitholders' Equity					
	Unitholders' Capital	Surplus				
		Capital Surplus	Voluntary Retained Earnings			
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Reserve for Reduction Entry	Total Voluntary Retained Earnings
Balance at the beginning of current period	319,973,305	23,548,287	7,373,149	3,204,781	3,398,115	13,976,047
Changes of items during the period						
Reversal of reserve for temporary difference adjustments			(77,525)			(77,525)
Provision of reserve retained for distribution				2,539		2,539
Reversal of reserve for reduction entry					(93,000)	(93,000)
Cash distribution disbursed						-
Net income						-
Net changes during the period except for items under unitholders' equity						-
Total changes of items during the period	-	-	(77,525)	2,539	(93,000)	(167,986)
Balance at the end of current period	* 319,973,305	23,548,287	7,295,624	3,207,320	3,305,115	13,808,060

	Unitholders' Equity			Valuation and Translation Adjustment		Total Net Assets
	Surplus		Total Unitholders' Equity	Deferred Gains or Losses on Hedges	Total Valuation and Translation Adjustment	
	Unappropriated Retained Earnings	Total Surplus				
Balance at the beginning of current period	10,543,501	48,067,835	368,041,141	(70,871)	(70,871)	367,970,269
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	77,525	-	-			-
Provision of reserve retained for distribution	(2,539)	-	-			-
Reversal of reserve for reduction entry	93,000	-	-			-
Cash distribution disbursed	(10,711,487)	(10,711,487)	(10,711,487)			(10,711,487)
Net income	9,633,226	9,633,226	9,633,226			9,633,226
Net changes during the period except for items under unitholders' equity	-	-	-	(28,702)	(28,702)	(28,702)
Total changes of items during the period	(910,274)	(1,078,260)	(1,078,260)	(28,702)	(28,702)	(1,106,963)
Balance at the end of current period	9,633,226	46,989,575	366,962,880	(99,574)	(99,574)	366,863,306

(4) Statements of Cash Distribution

	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
I. Unappropriated retained earnings	¥ 10,543,501,249	¥ 9,633,226,938
II. Reversal of voluntary retained earnings		
Reversal of reserve for temporary difference adjustments	* ¥ 77,525,695	* ¥ 77,525,695
Reversal of reserve for reduction entry	¥ 93,000,000	¥ 3,305,115,821
III. Cash distributions	¥ 10,711,487,595	¥ 10,820,629,390
(Cash distribution per unit)	(¥ 3,435)	(¥ 3,470)
IV. Voluntary retained earnings		
Provision of reserve retained for distribution	¥ 2,539,349	¥ 2,195,239,064
V. Retained earnings carried forward to the next period	-	-

Calculation method for cash distribution	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings. Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥77,525,695 and reversal of reserve for reduction entry of ¥93,000,000 to the unappropriated retained earnings of ¥10,543,501,249, and reserved ¥2,539,349, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥10,711,487,595 for the 32nd fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.	Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings. Based on this policy, United Urban decided to distribute ¥10,820,629,390 which is calculated by adding reversal of reserve for temporary difference adjustments of ¥77,525,695 and reversal of reserve for reduction entry of ¥1,109,876,757 to the unappropriated retained earnings of ¥9,633,226,938. Then, United Urban decided to transfer ¥2,195,239,064, which is the remaining amount after the reversal of reserve for reduction entry, to the reserve retained for distribution. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.

(5) Statements of Cash Flows

	(Thousands of yen)	
	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Cash flows from operating activities		
Income before income taxes	10,544,106	9,633,831
Depreciation and amortization	4,132,956	4,174,616
Gain on sales of real estate properties	-	(173,393)
Increase (decrease) in allowance for doubtful accounts	-	11,327
Interest income and interest on securities	(120)	(118)
Interest expense and interest expense on corporate bonds	1,007,370	1,003,009
Investment unit issuance expenses	26,808	-
Loss on disposal of real estate	5,531	22,031
Decrease (increase) in rent receivables	(161)	32,989
Decrease (increase) in prepaid expenses	558,492	(573,275)
Decrease (increase) in long-term prepaid expenses	17,844	24,683
Increase (decrease) in trade accounts payable	(804,741)	(521,747)
Increase (decrease) in accrued expenses	(28,717)	3,751
Increase (decrease) in consumption taxes payable	(234,189)	395,135
Increase (decrease) in rent received in advance	5,138	(20,463)
Increase (decrease) in rent received in advance in trust	(20,496)	(235,318)
Increase (decrease) in deposits received	(1,216)	(2,029)
Increase (decrease) in deposits received in trust	8,485	547,673
Amortization of leasehold and security deposits received	(29,300)	(23,963)
Amortization of leasehold and security deposits received in trust	(133,679)	(398,039)
Other	8,988	(77,342)
Subtotal	15,063,099	13,823,357
Interest received	120	118
Interest paid	(842,376)	(1,154,366)
Income taxes (paid) refund	8,508	(604)
Net cash provided by (used in) operating activities	14,229,351	12,668,504
Cash flows from investing activities		
Sale of property and equipment in trust	-	9,263,320
Purchase of property and equipment	(113,691)	(9,050,214)
Purchase of property and equipment in trust	(20,202,231)	(21,681,411)
Payment for leasehold and security deposits in trust	(1,500)	-
Proceeds from collection of leasehold and security deposits in trust	-	1,690
Proceeds from leasehold and security deposits received	86,500	347,469
Payment of leasehold and security deposits received	(48,992)	(4,288)
Proceeds from leasehold and security deposits received in trust	773,891	847,925
Payment of leasehold and security deposits received in trust	(306,092)	(1,301,108)
Net cash provided by (used in) investing activities	(19,812,115)	(21,576,617)
Cash flows from financing activities		
Proceeds from long-term debt	6,000,000	29,900,000
Repayment of long-term debt	(18,107,000)	(11,144,000)
Proceeds from issuance of investment units	10,728,959	-
Distributions to unitholders	(11,183,663)	(10,710,881)
Net cash provided by (used in) financing activities	(12,561,703)	8,045,118
Net changes in cash and cash equivalents	(18,144,467)	(862,995)
Cash and cash equivalents at the beginning of the period	68,619,522	50,475,055
Cash and cash equivalents at the end of the period	50,475,055	49,612,059

(6) Notes to Assumption of Going Concern

Not applicable

(7) Notes to Important Accounting Policies

1.	Depreciation and amortization methods of fixed assets	<p>(1) Property and equipment (including trust assets) Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows: Building: 2-70 years Structure: 2-53 years Machinery and equipment: 2-31 years Tools, furniture and fixtures: 3-20 years</p> <p>(2) Intangible assets (including trust assets) Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years.</p> <p>(3) Long-term prepaid expenses Depreciation of long-term prepaid expenses is calculated on a straight-line basis.</p>
2.	Standards for recognition of allowances	<p>Allowance for doubtful accounts In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.</p>
3.	Revenues and expenses recognition	<p>Accounting method for taxes on property and equipment United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held to the current period and charged this to property-related expenses. The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥63,325 thousand of such property taxes which were capitalized for the current fiscal period.</p>
4.	Hedge accounting	<p>(1) Hedge accounting method The differed hedge accounting is adopted.</p> <p>(2) Hedging instrument and hedged item Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts</p> <p>(3) Hedging policy Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation.</p> <p>(4) Evaluation method of the effectiveness of hedging The effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment.</p>
5.	Scope of cash and cash equivalents in the statements of cash flows	<p>Cash in the statements of cash flows (cash and cash equivalents) consist of cash on hand, cash held in trust, deposits and deposits in trust which can be withdrawn at any time, and short-term investments which are readily convertible to cash with only an insignificant risk of any price fluctuation and with original maturities of three months or less.</p>
6.	Important matters as the basis for preparation of the financial statements	<p>(1) Accounting treatment for trust beneficial interests in entrusted assets including real estate For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts. In addition, the following significant accounts of assets held in trust which are recorded in the relevant accounts are reported separately in the balance sheet.</p> <ol style="list-style-type: none"> 1) Cash and bank deposit in trust 2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Leasehold rights in trust and Other intangible assets in trust 4) Security deposits paid in trust

		5) Rent received in advance in trust 6) Deposits received in trust 7) Leasehold and security deposits received in trust (2) Accounting method for consumption taxes The consumption tax and local consumption tax are accounted for using the tax exclusion method. However, non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.
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(8) Notes to Financial Statements

[Notes to Balance Sheet]

*1. Pledged assets and secured debt

Pledged assets were as follows:

	(Thousands of yen)	
	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Buildings	1,439,154	1,397,875
Structures	7,021	6,819
Land	2,089,982	2,089,982
Total	3,536,158	3,494,677

Debt secured by pledged assets were as follows:

	(Thousands of yen)	
	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Leasehold security deposits received	408,171	408,171
Total	408,171	408,171

2. Line-of-credit agreement

United Urban concluded the following line-of-credit agreement with financial institutions:

	(Thousands of yen)	
	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Total amount of commitment	36,000,000	36,000,000
Outstanding borrowings at end of the period	-	-
Net balance	36,000,000	36,000,000

*3. Reduction entry amount of property and equipment acquired through state subsidy

	(Thousands of yen)	
	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Buildings in trust	39,608	39,608

*4. Matters related to provision and reversal of the reserve for temporary difference adjustments

32nd Fiscal Period (As of November 30, 2019)

	(Thousands of yen)					
	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	7,244,532	-	75,463	7,169,068	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	66,279	-	669	65,610	Appropriation for cash distribution
	76,099	76,099	-	760	75,338	
	63,132	-	63,132	-	63,132	A portion of profits arising from the differences between taxable profits and accounting profit due

						to depreciation and amortization, etc. was transferred to reserve for temporary difference adjustments in the statement of cash distribution of the fiscal period ended May 31, 2019.
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- Notes: 1 It is the balance of amount subdivided into the gains on negative goodwill which were allocated in the past fiscal periods. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.
- 2 It is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting from the fiscal period subsequent to the fiscal period in which the reserve was allocated.

33rd Fiscal Period (As of May 31, 2020)

(Thousands of yen)

	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	7,169,068	-	75,463	7,093,604	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	65,610	-	669	64,940	Appropriation for cash distribution
	76,099	75,338	-	760	74,577	
	63,132	63,132	-	631	62,501	

- Notes: 1 It is the balance of amount subdivided into the gains on negative goodwill which were allocated in the past fiscal periods. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.
- 2 It is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting from the fiscal period subsequent to the fiscal period in which the reserve was allocated.

*5. Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan

(Thousands of yen)

	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
	50,000	50,000

[Notes to the Statement of Income]

*1. Operating revenues and expenses

	(Thousands of yen)			
	32nd Fiscal Period (June 1, 2019- November 30, 2019)		33rd Fiscal Period (December 1, 2019- May 31, 2020)	
A. Operating revenues				
Rental revenues				
Rental revenues	20,160,511		18,916,300	
Common area charges	1,631,700		1,603,304	
Parking revenues	766,005		752,737	
Other revenues (Note 1)	162,672	22,720,890	159,773	21,432,117
Other rental revenues				
Incidental revenues (Note 2)	1,668,414		1,254,388	
Temporary revenues	187,855		620,379	
Other miscellaneous revenues	94,221	1,950,491	84,774	1,959,542
Total operating revenues		24,671,381		23,391,659
B. Property-related expenses				
Rental expenses				
Property and other taxes	2,006,189		2,102,067	
Property management fees	1,770,947		1,778,867	
Utilities	1,617,597		1,242,218	
Casualty insurance	24,157		24,458	
Repairs and maintenance (Note 3)	905,611		978,174	
Depreciation and amortization	4,132,956		4,174,616	
Other rental expenses	412,897		385,630	
Total rental expenses		10,870,357		10,686,033
C. Profit from rental activities (A-B)		13,801,023		12,705,625

Notes: 1 The consistent revenues other than rental revenues, common area charges and parking revenues are stated.

2 The utilities revenues that come from tenants in proportion to the amount used are stated.

3 The repair expense and repair and maintenance reserve are stated.

*2. Gain on sales of real estate properties

32nd Fiscal Period (From June 1, 2019 to November 30, 2019)

There was no applicable information on gain on sale of properties for the fiscal period ended November 30, 2019.

33rd Fiscal Period (From December 1, 2019 to May 31, 2020)

		(Thousands of yen)
Pacific Marks Esaka		
Revenue from sales of real estate properties	10,022,000	
Cost of sales of real estate properties	9,547,198	
Other sales expenses	301,407	
Gain on sales of real estate properties		173,393

[Notes to Statements of Changes in Unitholders' Equity]

* Total number of investment units authorized and Total number of investment units issued and outstanding

	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	3,118,337 units	3,118,337 units

[Notes to Statements of Cash Distribution]

* Reserve for temporary difference adjustments

32nd Fiscal Period (As of November 30, 2019)

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the “statement of cash distribution” of the fiscal period ended November 30, 2016, and reversed the required amount in this system.	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the “statement of cash distribution,” and reversed the required amount in this system.	<ul style="list-style-type: none"> • Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493 • Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997 • Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324 	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

33rd Fiscal Period (As of May 31, 2020)

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the “statement of cash distribution” of the fiscal period ended November 30, 2016, and reversed the required amount in this system.	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the “statement of cash distribution,” and reversed the required amount in this system.	<ul style="list-style-type: none"> • Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493 • Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997 • Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324 	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

[Notes to Tax Effect Accounting]
1. Significant components of deferred tax assets and deferred tax liabilities

	(Thousands of yen)	
	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Deferred tax assets		
Difference in revenue recognition for tax purposes	29,315	269,935
Difference in expense recognition for tax purposes	21,517	57,507
Valuation difference on assets acquired by merger	18,763,147	17,019,887
Excess allowance for doubtful accounts	571	4,134
Other	307	297
Subtotal	18,814,859	17,351,761
Valuation allowance	(18,814,859)	(17,351,761)
Total	-	-
Total deferred tax assets	-	-

2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate after the application of tax effect accounting

	End of 32nd Fiscal Period (As of November 30, 2019)	End of 33rd Fiscal Period (As of May 31, 2020)
Statutory tax rate	31.51%	31.46%
(Adjustment)		
Distributions of tax-deductible dividends	(31.91)%	(27.07)%
Changes in valuation allowance	0.12%	(15.19)%
Reversal of reserve for reduction entry	0.28%	10.79%
Other	0.01%	0.01%
Effective tax rate after the application of tax effect accounting	0.01%	0.01%

[Notes to Real Estate Assets for Rent]

United Urban owns investment real estate for rent (retail properties, office buildings, hotels, residential properties and other properties (including land)) in the Tokyo Metropolitan Area, major Japanese cities including government designated cities, and surrounding areas thereof. The carrying amounts on the balance sheet, the amount of changes during the period and the fair values at the end of the period were as follows:

		(Thousands of yen)	
Type of Use		32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Retail properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	185,228,356	184,661,408
	Change during the period	(566,947)	(739,313)
	Balance at the end of the period	184,661,408	183,922,094
	Fair value at the end of the period	215,529,000	214,777,000
Office buildings	Carrying amount on the balance sheet		
	Balance at the beginning of the period	196,455,876	195,843,358
	Change during the period	(612,518)	(10,293,692)
	Balance at the end of the period	195,843,358	185,549,665
	Fair value at the end of the period	257,614,000	247,836,000
Hotels	Carrying amount on the balance sheet		
	Balance at the beginning of the period	137,324,520	155,292,038
	Change during the period	17,967,518	6,451,896
	Balance at the end of the period	155,292,038	161,743,935
	Fair value at the end of the period	182,751,000	189,951,000
Residential properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	40,477,817	40,121,833
	Change during the period	(355,983)	4,565,490
	Balance at the end of the period	40,121,833	44,687,324
	Fair value at the end of the period	53,542,000	58,863,000
Others	Carrying amount on the balance sheet		
	Balance at the beginning of the period	49,377,367	49,167,612
	Change during the period	(209,754)	16,034,204
	Balance at the end of the period	49,167,612	65,201,817
	Fair value at the end of the period	64,758,000	81,420,000
Total	Carrying amount on the balance sheet		
	Balance at the beginning of the period	608,863,937	625,086,252
	Change during the period	16,222,314	16,018,585
	Balance at the end of the period	625,086,252	641,104,837
	Fair value at the end of the period	774,194,000	792,847,000

- Notes: 1 The carrying amount on the balance sheet is the acquisition value (including the expenses incidental to the acquisition) less accumulated depreciation.
- 2 Of the "Change during the period" for the 32nd fiscal period, the amount of the increase is primarily attributable to acquisition of two properties (total: ¥17,976 million) and capital expenditures (¥2,373 million). And the amount of the decrease is primarily attributable to the depreciation and amortization (¥4,125 million).
Of the "Change during the period" for the 33rd fiscal period, the amount of the increase is primarily attributable to acquisition of eight properties (total: ¥22,985 million), an additional acquisition of the existing property (¥5,356 million), and capital expenditures (¥1,361 million). And the amount of the decrease is primarily attributable to the sale of one property (¥9,545 million) and the depreciation and amortization (¥4,166 million).
- 3 The "Fair value at the end of the period" stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban's Articles of Incorporation and the rules of The Investment Trusts Association, Japan.

For the revenues and expenses concerning the real estate assets for rent, please refer to the “Notes to the Statement of Income.”

[Notes to Per Unit Information]

	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Net assets per unit	¥ 118,002	¥ 117,647
Net income per unit	¥ 3,388	¥ 3,089

- Notes: 1 Net income per unit is calculated by dividing net income by the daily weighted average number of investment units during the period. Diluted net income per unit is not stated, as there are no dilutive investment units.
2 A basis for calculation of net income per unit is as follows:

		32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Net income	(Thousands of yen)	10,543,501	9,633,226
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	10,543,501	9,633,226
Average number of investment units during the period	(Unit)	3,111,123	3,118,337

[Notes to Significant Subsequent Events]

Not Applicable

[Additional Information]

(Impact related to the Spread of COVID-19)

Due to the global spread of the COVID-19 from late February 2020, the Japanese government declared a state of emergency on April 7, 2020, which was lifted completely on May 25, 2020. During this period, the financial condition and cash flows of some tenants of United Urban have been affected due to the requests for people to exercise self-restraint when going out and usage restrictions on facilities across Japan, and due to the global restrictions or requests for self-restraint involving overseas travel.

As a result, the operating revenues of United Urban may decrease due to tenants’ requests for rent reductions or extension of payments, and a decrease in variable rents linked to tenants’ sales or profitability, etc.

Under these circumstances, in view of the stable asset management over medium to long term, United Urban has approved reductions in or exemptions from rents for some tenants of commercial properties who suspended their operations due to the business suspension request in the current fiscal period. Moreover, as for tenants with whom the rent reduction requests are under negotiation, United Urban has responded to their requests on a case-by-case basis based on available information at the time of preparation of the financial statements. After the next fiscal period, the effect of the spread of the infection is forecasted to subside with economic activity to return to normal gradually from the end of 2020 to the beginning of 2021, and the business environment is expected to recover. Accordingly, United Urban recorded accounting estimates involving fixed asset impairment based on such assumptions.

Since it is difficult to accurately predict when it will subside or the extent of the impact regarding the spread of COVID-19, the financial condition and business performance of United Urban after the next fiscal period may be affected in case the recovery occurs more slowly than the above-mentioned assumption.

[Notes to Other Matters]

(Unapplied Accounting Standard, etc.)

- “Accounting Standard for Revenue Recognition” (Corporate Accounting Standards No. 29 issued by Accounting Standards Board of Japan (“ASBJ”) on March 31, 2020)
- “Implementation Guidance on Accounting Standard for Revenue Recognition” (Implementation Guidance of Corporate Accounting Standards No. 30 issued by ASBJ on March 31, 2020)
- “Implementation Guidance on Disclosure about Fair Value of Financial Instruments” (Implementation Guidance of Corporate Accounting Standards No. 19 issued by ASBJ on March 31, 2020)

(1) Overview

The International Accounting Standard Board (“IASB”) and the Financial Accounting Standards Board (“FASB”) have jointly developed the comprehensive accounting standard for revenue recognition, and have published “Revenue from Contracts with Customers” (International Financial Reporting Standards (“IFRS”) 15 by IASB and Topic 606 by FASB) in May 2014. As IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and Topic 606 is effective for annual periods beginning after December 15, 2017, ASBJ has developed and published the comprehensive accounting standard and implementation guidance for revenue recognition accordingly.

As the basic policy of ASBJ for the development of accounting standard for revenue recognition, the accounting standard in Japan have been established while adopting the basic principal of IFRS 15 from the point of view of the comparability between the financial statements based on IFRS or U.S. GAAP and Japanese GAAP as a benefit for the consistency with IFRS 15. In addition, in the case that there is an item that the actual practice conducted in Japan is considered, the alternate treatments are added within the scope not to fail the comparability.

(2) Scheduled date of the application

United Urban will adopt the accounting standard, etc. from the beginning of the period ending November 30, 2021.

(3) Impact of the application of the respective accounting standard, etc.

United Urban is currently evaluating the effect on its financial statements by applying the “Accounting Standard for Revenue Recognition”, etc.

- “Accounting Standard for Fair Value Measurement” (Corporate Accounting Standards No. 30 issued by ASBJ on July 4, 2019)
- “Accounting Standard for Financial Instruments” (Corporate Accounting Standards No. 10 issued by ASBJ on July 4, 2019)
- “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Implementation Guidance of Corporate Accounting Standards No. 31 issued by ASBJ on July 4, 2019)
- “Implementation Guidance on Disclosure about Fair Value of Financial Instruments” (Implementation Guidance of Corporate Accounting Standards No. 19 issued by ASBJ on March 31, 2020)

(1) Overview

IASB and FASB have established detailed guidance for fair value measurement (IFRS 13 “Fair Value Measurement” by IFRS and Topic 820 “Fair Value Measurement” by FASB). In order to improve the comparability between the international accounting standard and Japanese accounting standard, ASBJ has mainly considered guidance and disclosure on fair value of financial instruments and published the accounting standard and implementation guidance for fair value measurement accordingly.

As the basic policy of ASBJ for the development of accounting standard for fair value measurement, ASBJ basically adopted all provisions of IFRS 13 by using a unified calculation method, from the point of view of improving the comparability between the financial statements based on IFRS or U.S. GAAP and Japanese GAAP. Moreover, in consideration of the actual practice conducted in Japan, other treatments for individual items are established within the scope not to fail the comparability.

(2) Scheduled date of the application

United Urban will adopt the accounting standard, etc. from the beginning of the period ending November 30, 2021.

(3) Impact of the application of the respective accounting standard, etc.

United Urban is currently evaluating the effect on its financial statements by applying the “Accounting Standard for Fair Value Measurement”, etc.

- “Accounting Standard for Disclosure of Accounting Estimates” (Corporate Accounting Standards No. 31 issued by ASBJ on March 31, 2020)

(1) Overview

With regard to “sources of estimation uncertainty” which are required to be disclosed under Paragraph 125 of International Accounting Standard (“IAS”) 1 “Presentation of Financial Statements” (“IAS 1”) issued in 2003 by IASB, ASBJ was requested to examine disclosures of such information under Japanese GAAP as useful information for users of financial statements. Accordingly, ASBJ has developed and published the accounting standard for disclosures of accounting estimates (the “Accounting Standard”).

The basic policy of ASBJ for the development of the Accounting Standard was to provide general principles (disclosure objectives) instead of expanding required information in the notes, and an entity shall determine specific disclosures in accordance with its disclosure objectives. The development of this standard is based on Paragraph 125 of IAS 1.

(2) Scheduled date of the application

United Urban will adopt the accounting standard from the beginning of the period ending May 31, 2021.

- “Accounting Standard for Accounting Policy Disclosures, Accounting Changes, and Error Corrections” (Corporate Accounting Standards No. 24 issued by ASBJ on March 31, 2020)

(1) Overview

Following the recommendation to examine enhancements to note information concerning “application of principles of accounting policies and procedures where provisions of related accounting standards are not available,” necessary amendments were made and the accounting standard for accounting policy disclosures, accounting changes, and error corrections was published by ASBJ.

When enhancing note information concerning “application of principles of accounting policies and procedures where provisions of related accounting standards are not available,” in order to ensure consistency with past actual practice in case the provisions of related accounting standards are clear, the provisions in the Notes on Corporate Accounting Principles (Note 1-2) have been followed.

(2) Scheduled date of the application

United Urban will adopt the accounting standard from the beginning of the period ending May 31, 2021.

[Omission of Disclosure]

Notes to statements of cash flow, leases, financial instruments, securities, derivative transactions, employee retirement benefit, equity earnings of affiliate companies, transactions with related parties, segment information, and asset retirement obligation are omitted since the disclosure of these notes in this Financial Report is not considered to be important.

(9) Change in Total Number of Investment Units Issued and Outstanding

During the period, no capital increase was carried out and there were no changes in the number of investment units issued and outstanding and unitholders' capital. The changes in unitholders' capital and total number of investment units issued and outstanding in the past five years are shown below.

Date	Remarks	Total Number of Investment Units Issued and Outstanding (Unit)		Unitholders' Capital (Millions of yen)		Notes
		Increase	Balance	Increase	Balance	
September 16, 2015	Additional issue of new investment units through public offering	95,000	2,739,311	12,680	256,549	(Note 1)
October 15, 2015	Additional issue of new investment units through third-party allotment	12,065	2,751,376	1,610	258,160	(Note 2)
June 14, 2016	Additional issue of new investment units through public offering	190,000	2,941,376	32,273	290,433	(Note 3)
July 12, 2016	Additional issue of new investment units through third-party allotment	11,646	2,953,022	1,978	292,411	(Note 4)
December 14, 2016	Additional issue of new investment units through public offering	90,000	3,043,022	14,808	307,220	(Note 5)
January 12, 2017	Additional issue of new investment units through third-party allotment	12,065	3,055,087	1,985	309,205	(Note 6)
June 19, 2019	Additional issue of new investment units through public offering	55,000	3,110,087	9,363	318,568	(Note 7)
July 11, 2019	Additional issue of new investment units through third-party allotment	8,250	3,118,337	1,404	319,973	(Note 8)

- Notes:
1. New investment units were issued through public offering at the offer price of ¥137,690 per unit (issue price (underwriter price) ¥133,475), for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
 2. New investment units were issued through third-party allotment at the issue price of ¥133,475 per unit for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
 3. New investment units were issued through public offering at the offer price of ¥175,224 per unit (issue price (underwriter price) ¥169,860) for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.
 4. New investment units were issued through third-party allotment at the issue price of ¥169,860 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
 5. New investment units were issued through public offering at the offer price of ¥169,736 per unit (issue price (underwriter price) ¥164,540), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds to support a portion of the repayment of interest-bearing liabilities.
 6. New investment units were issued through third-party allotment at the issue price of ¥164,540 per unit for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.
 7. New investment units were issued through public offering at the offer price of ¥175,616 per unit (issue price (underwriter price) ¥170,240), for the purpose of procuring funds for property acquisitions.
 8. New investment units were issued through third-party allotment at the issue price of ¥170,240 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.

3. Reference Information

(1) Information on the Price of Assets under Management, etc.

1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		32nd Fiscal Period (As of November 30, 2019)		33rd Fiscal Period (As of May 31, 2020)	
				Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)	Total Amounts Held (Thousands of yen) (Note 1)	Percentage to Total Assets (%)
Real Estate	Retail Properties	Capital region (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-
			The 23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,239,732	1.1	7,232,796	1.0
			Other regions (Note 6)	13,559,765	2.0	13,502,932	1.9
	Office Buildings	Capital region	The 6 central wards of Tokyo	12,980,955	1.9	13,005,333	1.9
			The 23 wards of Tokyo	9,435,493	1.4	9,398,092	1.4
			Tokyo metropolitan area	8,895,510	1.3	8,833,451	1.3
			Other regions	-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,604,675	0.2	1,598,076	0.2
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,924,718	0.6	3,879,606	0.6
			Other regions	-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	2,830,632	0.4	4,865,002	0.7
			Tokyo metropolitan area	-	-	-	-
			Other regions	4,379,651	0.6	4,347,607	0.6
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	-	-	6,914,588	1.0
			Other regions	-	-	-	-
Subtotal				64,851,133	9.6	73,577,489	10.6
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,248,424	0.6	4,239,289	0.6
			The 23 wards of Tokyo	11,654,619	1.7	11,608,852	1.7
			Tokyo metropolitan area	91,856,072	13.5	91,443,606	13.2
			Other regions	56,102,795	8.3	55,894,616	8.1
	Office Buildings	Capital region	The 6 central wards of Tokyo	65,413,145	9.6	65,270,268	9.4
			The 23 wards of Tokyo	2,019,994	0.3	2,023,837	0.3
			Tokyo metropolitan area	40,870,287	6.0	40,562,860	5.8
			Other regions	56,227,971	8.3	46,455,820	6.7
	Hotels	Capital region	The 6 central wards of Tokyo	40,812,658	6.0	40,642,137	5.9
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	23,411,718	3.5	23,369,989	3.4
			Other regions	85,538,268	12.6	92,254,125	13.3
	Residential Properties	Capital region	The 6 central wards of Tokyo	977,494	0.1	2,324,606	0.3
			The 23 wards of Tokyo	8,353,848	1.2	9,832,329	1.4
			Tokyo metropolitan area	2,848,980	0.4	2,834,174	0.4
			Other regions	20,731,227	3.1	20,483,602	3.0
	Others	Capital region	The 6 central wards of Tokyo	9,158,879	1.4	9,121,530	1.3
			The 23 wards of Tokyo	7,937,438	1.2	7,906,050	1.1
			Tokyo metropolitan area	25,641,284	3.8	30,881,968	4.4
			Other regions	6,430,010	0.9	10,377,679	1.5
Subtotal				560,235,118	82.6	567,527,347	81.8
Bank deposit and other assets				53,122,488	7.8	52,984,991	7.6
Total Assets				678,208,740	100.0	694,089,828	100.0

Notes: 1. "Total Amounts Held" is net book value of assets at the end of the period ("Real Estate" and "Real Estate in Trust" being stated at book value net of depreciation). The trust beneficial interest which trust asset mainly consists of real estate does not include an amount of deposit in the trust asset.

2. The "Capital region" refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.

3. The "6 central wards of Tokyo" are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.

4. The "23 wards of Tokyo" are the 23 Tokyo wards excluding the "6 central wards of Tokyo."

5. "Tokyo metropolitan area" refers to the capital region excluding the "23 wards of Tokyo."

6. "Other regions" refers to other major cities in Japan including government designated cities (excluding cities located in Tokyo)

metropolitan area) and surrounding areas thereof.

	32nd Fiscal Period (As of November 30, 2019)		33rd Fiscal Period (As of May 31, 2020)	
	Amount (Thousands of yen)	Percentage to Total Assets (%)	Amount (Thousands of yen)	Percentage to Total Assets (%)
Total liabilities	310,238,470	45.7	327,226,522	47.1
Total net assets	367,970,269	54.3	366,863,306	52.9
Total assets	678,208,740	100.0	694,089,828	100.0

2. Investment Assets

a. Major Stock of Investment Securities

There was no applicable information on major stock of investment securities.

b. Investment Real Estate Properties

As of the end of the 33rd fiscal period, United Urban had ownership of, or trust beneficial interests in real estate (properties which are the trust assets of trust beneficial interests in real estate are referred to as the “Real Estate in Trust”, and real estate and Real Estate in Trust are collectively referred to as the “Investment Real Estate”). Consequently, all of the real estate and Real Estate in Trust are shown in the table below.

(i) Outline of Investment Real Estate 1

Acquisition price, book value at the end of the period, appraisal value at the end of the period, appraisers, number of tenants, leasable floor space, leased floor space and occupancy ratio of Investment Real Estate were as follows:

(As of May 31, 2020)

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A2	Joy Park Izumigaoka	6,770	4,993	4,780	0.6	JREI	21	13,611.24	13,611.24	100.0
A4	Luz Funabashi	5,200	4,281	6,200	0.8	JREI	17	12,952.88	12,952.88	100.0
A6	TENJIN LUCE	6,500	6,176	6,510	0.8	Nittochi	11	4,214.99	3,809.52	90.4
A7	Kaden Sumairu-kan YAMADA Sakai Honten	3,210	2,690	3,930	0.5	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	4,922	5,340	0.7	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,470	2,060	0.3	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,601	3,400	0.4	JREI	10	2,081.50	2,081.50	100.0
A11	Tip's Machida Building	4,100	4,233	5,060	0.6	JREI	9	6,710.19	6,710.19	100.0
A12	Daiei Takarazuka Nakayama	4,284	3,126 (Note 9)	3,940	0.5	JREI	1	16,729.60	16,729.60	100.0
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	11,904	12,459	11,600	1.5	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,221	2,080	0.3	JREI	7	1,938.56	1,527.45	78.8
A15	Shinsaibashi OPA Honkan	22,800	21,898	26,500	3.3	JREI	1	27,025.42	27,025.42	100.0
A19	Albore Jingumae	1,580	1,547	2,390	0.3	JREI	4	931.14	931.14	100.0
A20	Albore Sendai	2,590	2,332	3,600	0.5	JREI	7	3,151.93	3,151.93	100.0
A21	Mallage Kashiwa	7,040	6,725	8,710	1.1	JREI	93	41,748.73	40,893.07	98.0
A23	Ito-Yokado Owariasahi	4,840	3,962	4,880	0.6	JREI	1	54,606.34	54,606.34	100.0
A24	Yokohama Kariba Shopping Center	2,500	2,104	2,140	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	4,831	5,930	0.7	JREI	20	2,283.47	2,283.47	100.0
A26	ACTIOLE Ichikawa	3,350	2,869	4,050	0.5	JREI	11	3,927.49	3,474.43	88.5

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A27	Yokohama Aoba Shopping Center (Site)	2,600	2,740	3,300	0.4	JREI	1	9,193.00	9,193.00	100.0
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,840	0.4	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	26,907	33,900	4.3	JREI	1	37,932.95	37,932.95	100.0
A30	Kaden Sumairu-kan YAMADA Matsudo Honten	5,150	4,734	6,830	0.9	JREI	1	17,561.23	17,561.23	100.0
A31	Tenjin Loft Building	4,350	4,598	6,110	0.8	JREI	6	7,730.09	7,730.09	100.0
A32	Narumi Shopping Center (Site)	6,460	6,850	7,470	0.9	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,900	1,970	0.2	JREI	8	2,885.94	2,606.99	90.3
A34	LIFE Nishikujo (Site)	1,760	1,842	2,090	0.3	Tanizawa	1	3,252.76	3,252.76	100.0
A35	LIFE Tamatsukuri (Site)	1,880	1,967	2,190	0.3	Tanizawa	1	2,391.44	2,391.44	100.0
A36	Granbell Ginza Building	2,621	2,692	3,050	0.4	JREI	11	1,352.35	1,352.35	100.0
A37	UUR Tenjin Nishidori Building	5,500	5,660	5,980	0.8	JREI	1	1,564.70	1,564.70	100.0
A38	Luz Shonan Tsujido	3,938	3,869	4,620	0.6	Tanizawa	31	10,454.22	9,967.14	95.3
A39	ACTIOLE Ueno	3,000	3,176	2,810	0.4	Tanizawa	8	1,163.44	1,042.59	89.6
A40	KURURU	9,285	9,456	9,420	1.2	Tanizawa	25	13,292.33	10,127.84	76.2
A41	K's Denki Nagoya-kita	1,750	1,826	1,890	0.2	Tanizawa	1	4,733.74	4,733.74	100.0
A42	Luz Musashikosugi	12,151	12,233	12,100	1.5	Tanizawa	2	8,272.58	8,272.58	100.0
B1	T&G Hamamatsucho Building	2,257	2,094	3,130	0.4	Tanizawa	6	2,382.25	2,382.25	100.0
B3	Fukuoka Eartheon Building	2,080	1,542	3,100	0.4	JREI	7	4,934.40	4,934.40	100.0
B4	Marumasu Kojimachi Building	2,350	2,396	2,790	0.4	JREI	16	2,576.57	2,576.57	100.0
B5	Rokubancho K Building	2,150	2,241	3,780	0.5	JREI	1	4,031.14	4,031.14	100.0
B6	Shin-Osaka Central Tower	24,000	23,476	30,600	3.9	Nittochi	61	45,938.36	45,781.71	99.7
B7	Kawasaki Toshiba Building	19,200	19,256	33,500	4.2	Tanizawa	1	36,142.30	36,142.30	100.0
B8	UUR Toyochi Building	8,500	8,323	8,450	1.1	JREI	1	7,540.30	7,540.30	100.0
B9	FOUR SEASONS BLDG	4,200	4,073	6,650	0.8	JREI	1	5,000.54	5,000.54	100.0
B10	Hitachi High-Tech Building	14,800	14,326	17,900	2.3	JREI	0	15,781.64	0.00	0.0
B11	Pacific Marks Shinjuku Parkside	12,100	11,717	14,000	1.8	JREI	22	10,947.34	10,947.34	100.0
B13	Pacific Marks Tsukishima	6,080	5,717	7,030	0.9	JREI	45	9,335.19	9,228.25	98.9
B14	Pacific Marks Yokohama East	7,050	6,569	8,090	1.0	Tanizawa	29	11,199.19	11,199.19	100.0
B17	Akasaka Hikawa Building	3,290	3,192	4,320	0.5	JREI	1	3,438.20	3,438.20	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,456	3,340	0.4	JREI	1	1,972.43	1,972.43	100.0
B20	Pacific Marks Akasaka-mitsuke	2,210	2,156	2,660	0.3	JREI	8	1,675.13	1,675.13	100.0
B22	Pacific Marks Shin-Yokohama	1,710	1,560	1,780	0.2	Tanizawa	10	3,110.72	3,110.72	100.0
B25	Pacific Marks Kawasaki	9,890	8,833	12,500	1.6	Tanizawa	42	7,395.50	7,395.50	100.0
B26	Hamamatsucho 262 Building	6,840	6,398	8,090	1.0	JREI	19	6,157.96	6,157.96	100.0
B27	Lila Hijirizaka	2,750	2,654	3,300	0.4	JREI	14	4,255.02	4,255.02	100.0
B29	Otsuka HT Building	1,160	1,074	1,220	0.2	JREI	7	1,774.56	1,774.56	100.0
B30	Pacific Marks Shinjuku South-gate	2,460	2,476	3,830	0.5	JREI	8	1,726.68	1,726.68	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
B31	Pacific Marks Nishi-Umeda	6,860	6,605	8,570	1.1	Tanizawa	31	10,990.99	10,990.99	100.0
B32	Pacific Marks Higobashi	4,570	4,424	5,100	0.6	Tanizawa	24	7,618.83	7,528.39	98.8
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,706	2,230	0.3	Tanizawa	11	4,727.65	4,727.65	100.0
B36	Shin-Sapporo Center Building	987	833	1,080	0.1	Tanizawa	19	2,796.65	2,595.05	92.8
B37	ARENA TOWER	9,500	7,920	12,900	1.6	Tanizawa	11	17,967.46	17,967.46	100.0
B38	Yushima First Building	2,100	2,023	3,150	0.4	JREI	7	4,558.77	4,558.77	100.0
B39	Dogenzaka Square	2,300	2,233	3,170	0.4	JREI	25	2,233.65	2,018.61	90.4
B40	GRAND-SQUARE Shin-Sakae	1,480	1,286	1,900	0.2	JREI	8	4,578.93	4,257.70	93.0
B41	GRAND-SQUARE Meieki-minami	1,220	1,078	2,240	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,133	3,360	0.4	JREI	5	2,831.94	2,831.94	100.0
B43	Hirose-dori SE Building	3,600	3,139	5,170	0.7	JREI	8	8,235.87	8,235.87	100.0
B44	SS30	18,200	18,742	21,800	2.7	JREI	79	67,700.37	67,451.61	99.6
B45	LOOP-X・M	11,200	12,006	12,600	1.6	JREI	108	21,590.90	19,807.15	91.7
C1	Shinjuku Washington Hotel Honkan	21,140	21,989	27,100	3.4	JREI	8	53,310.20	53,310.20	100.0
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,598	2,600	0.3	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	3,038	3,960	0.5	JREI	10	6,660.20	6,660.20	100.0
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	3,879	5,150	0.6	Nittochi	4	7,139.44	7,139.44	100.0
C5	Hotel JAL City Naha	7,650	7,239	11,600	1.5	Nittochi	2	13,701.80	13,701.80	100.0
C6	UUR Yotsuya Sanchome Building	4,200	4,483	6,960	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	4,933	7,040	0.9	JREI	3	7,544.42	7,544.42	100.0
C9	the b roppongi	4,488	4,766	4,840	0.6	JREI	3	3,714.06	3,714.06	100.0
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,634	3,150	0.4	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	2,058	2,560	0.3	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	745	722	854	0.1	Daiwa	1	1,529.47	1,529.47	100.0
C13	Loisir Hotel & Spa Tower Naha	20,000	20,312	22,500	2.8	JREI	1	45,731.16	45,731.16	100.0
C14	Royal Pines Hotel Urawa	17,500	17,696	17,900	2.3	JREI	10	31,129.86	31,129.86	100.0
C15	RIHGA Royal Hotel Kokura・ARUARU City	16,600	17,584	17,000	2.1	Tanizawa	30	81,371.29	81,260.16	99.9
C16	the b fukuoka tenjin	3,000	3,083	3,680	0.5	JREI	2	3,567.22	3,567.22	100.0
C17	Henn na Hotel Tokyo Hamamatsucho	4,456	4,469	4,740	0.6	JREI	1	2,293.64	2,293.64	100.0
C18	Hotel Hewitt Koshien	13,520	13,561	13,700	1.7	Tanizawa	2	36,104.06	36,104.06	100.0
C19	Smile Hotel Premium Sapporo Susukino	4,233	4,242	5,210	0.7	Tanizawa	1	8,332.04	8,332.04	100.0
C20	the square hotel KANAZAWA	4,802	4,972	5,900	0.7	Tanizawa	1	6,333.36	6,333.36	100.0
C21	NEST HOTEL KYOTO SHIJOKARASUMA	2,010	2,096	3,120	0.4	Tanizawa	1	2,358.25	2,358.25	100.0
D1	T&G Higashi-ikebukuro Mansion	2,021	1,392	2,420	0.3	Tanizawa	125	2,603.22	2,522.50	96.9
D4	Komazawa Court	1,680	1,468	2,130	0.3	JREI	1	3,741.17	3,741.17	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
D6	UUR Court Shiba-Daimon	1,175	971	1,460	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D9	Aprile Shin-Ohgi Ichibankan	3,031	2,386	3,620	0.5	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	910	1,620	0.2	Tanizawa	1	4,790.50	4,790.50	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,577	3,590	0.5	JREI	88	4,097.51	3,952.00	96.4
D16	GRAND-ROUGE Sakae	1,570	1,159	1,360	0.2	JREI	86	3,697.38	3,325.78	89.9
D17	GRAND-ROUGE Sakae II	1,300	968	1,400	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,536	4,690	0.6	JREI	137	11,525.36	10,892.26	94.5
D19	UUR Court Nagoya Meieki	1,473	1,135	1,570	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D20	UUR Court Sapporo Shinoro Ichibankan	870	678	874	0.1	Nittochi	3	6,271.74	6,271.74	100.0
D21	Park Site IZUMI	900	806	769	0.1	JREI	37	2,067.95	1,931.15	93.4
D22	UUR Court Osaka Juso-honmachi	1,570	1,241	1,700	0.2	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,806	3,660	0.5	JREI	190	5,460.39	5,108.17	93.5
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,728	3,120	0.4	JREI	123	7,763.18	6,991.83	90.1
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,245	1,630	0.2	JREI	116	3,090.36	3,042.36	98.4
D26	Glenpark Umeda-kita	5,150	4,997	6,590	0.8	Tanizawa	173	12,730.60	11,983.61	94.1
D27	UUR Court Shiki	2,730	2,834	3,100	0.4	JREI	1	9,885.83	9,885.83	100.0
D28	GRAND-ROUGE Tanimachi Rokucho	1,300	1,365	1,520	0.2	Tanizawa	49	2,792.81	2,682.70	96.1
D29	Chatle Otemachi S・N	3,398	3,668	3,680	0.5	JREI	148	12,040.28	11,588.66	96.2
D30	GRAN FONTE	2,700	2,859	3,340	0.4	Tanizawa	89	6,268.24	6,135.39	97.9
D31	Park Axis Akatsuka	1,980	2,058	2,070	0.3	Tanizawa	155	4,370.31	4,268.03	97.7
D32	UUR Court Shirasagi	1,442	1,533	1,640	0.2	Tanizawa	45	2,815.30	2,695.50	95.7
D33	Court Branche AP	1,270	1,352	1,310	0.2	Tanizawa	39	1,480.17	1,385.56	93.6
E1	Lilycolor Tohoku Branch	2,050	1,378	2,200	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	Fuchu Building (Note 13)	4,920	4,732	4,890	0.6	JREI	0	14,490.92	0.00	0.0
E3	Tsubogawa Square Building	4,150	3,766	6,280	0.8	JREI	5	10,570.98	10,570.98	100.0
E4	THE PLACE of TOKYO	3,500	3,329	4,600	0.6	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	9,525	9,392	10,800	1.4	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	7,906	14,400	1.8	JREI	1	23,816.82	23,816.82	100.0
E7	Quartz Tower	5,700	5,792	6,240	0.8	Tanizawa	1	2,940.22	2,940.22	100.0
E8	Shin-Narashino Logistics Center	2,555	2,628	2,820	0.4	JREI	1	12,909.90	12,909.90	100.0
E9	Kawagoe Logistics Center	7,550	7,589	9,520	1.2	Tanizawa	1	40,060.76	40,060.76	100.0
E10	Asuto Nagamachi Dental Clinic	1,200	1,213	1,290	0.2	JREI	1	1,554.09	1,554.09	100.0
E11	Shin-Narashino Logistics Center II	2,590	2,719	2,640	0.3	JREI	1	12,598.46	12,598.46	100.0
E12	Yoshikawa Logistics Center	1,960	1,960	2,030	0.3	JREI	1	11,096.70	11,096.70	100.0
E13	Musashimurayama Logistics Center	1,800	1,859	1,910	0.2	JREI	1	9,237.87	9,237.87	100.0
E14	Chibaminato Logistics Center (Site)	6,600	6,914	7,790	1.0	Tanizawa	1	24,467.78	24,467.78	100.0
E15	Hirakata Nagao Logistics Center	2,550	2,660	2,650	0.3	Tanizawa	1	11,874.51	11,874.51	100.0

Property No.	Property Name	Acquisition Price (Millions of yen) (Note 1)	Book Value at the End of Period (Millions of yen) (Note 2)	Appraisal Value at the End of Period (Millions of yen) (Note 2)	Share of Appraisal Value (%)	Appraisers (Note 2)	Number of Tenants (Note 3, 4)	Leasable Floor Space (m ²) (Note 3)	Leased Floor Space (m ²) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
E16	Kobe Toyahama Logistics Center	1,300	1,359	1,360	0.2	JREI	1	9,402.93	9,402.93	100.0
	Total	661,492	641,104	792,847	100.0	-	2,691	1,522,162.03	1,478,181.70	97.1

(ii) Outline of Investment Real Estate 2

Type of use, total annual rent, tenant leasehold and security deposits, PML and earthquake insurance of Investment Real Estate were as follows:

(As of May 31, 2020)

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
A2	Retail Properties	Joy Park Izumigaoka	(Note 10)	215,420	10	N/A
A4		Luz Funabashi	(Note 10)	347,467	13	N/A
A6		TENJIN LUCE	(Note 10)	344,621	2	N/A
A7		Kaden Sumairu-kan YAMADA Sakai Honten	(Note 11)	(Note 11)	8	N/A
A8		Miyamae Shopping Center	(Note 10)	909,730	17	N/A
A9		KONAMI SPORTS CLUB Korigaoka	(Note 11)	(Note 11)	11	N/A
A10		ACTIOLE Minami-ikebukuro	(Note 10)	144,621	14	N/A
A11		Tip's Machida Building	(Note 10)	242,048	18	N/A
A12		Daiei Takarazuka Nakayama	(Note 11)	(Note 11)	9	N/A
A13		Retail / Offices	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	(Note 10)	280,423	- (Note 12)
A14	Retail Properties	ACTIOLE Kannai	(Note 10)	94,021	16	N/A
A15		Shinsaibashi OPA Honkan	(Note 10)	1,448,304	12	N/A
A19		Albore Jingumae	(Note 10)	52,600	14.6	N/A
A20		Albore Sendai	(Note 10)	148,484	8	N/A
A21		Mallage Kashiwa	(Note 10)	908,710	9	N/A
A23		Ito-Yokado Owariasahi	(Note 11)	(Note 11)	11	N/A
A24		Yokohama Kariba Shopping Center	(Note 11)	(Note 11)	12	N/A
A25		Luz Jiyugaoka	(Note 10)	237,687	12	N/A
A26		ACTIOLE Ichikawa	(Note 10)	175,730	10	N/A
A27		Yokohama Aoba Shopping Center (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
A28		Yamada Denki Tecc Land Aoba (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
A29		Yodobashi Camera Multimedia Kichijoji	(Note 11)	(Note 11)	14	N/A
A30		Kaden Sumairu-kan YAMADA Matsudo Honten	(Note 11)	(Note 11)	11	N/A
A31		Tenjin Loft Building	(Note 10)	277,045	1	N/A
A32		Narumi Shopping Center (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
A33		Plussing Wave Enoshima	(Note 10)	152,784	14	N/A
A34		LIFE Nishikujo (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
A35		LIFE Tamatsukuri (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
A36		Granbell Ginza Building	(Note 10)	114,983	10	N/A
A37		UUR Tenjin Nishi-dori Building	(Note 11)	(Note 11)	2	N/A
A38		Luz Shonan Tsujido	(Note 10)	304,813	14	N/A
A39		ACTIOLE Ueno	(Note 10)	82,996	12	N/A

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
A40		KURURU	(Note 10)	375,436	6	N/A
A41		K's Denki Nagoya-kita	(Note 11)	(Note 11)	8	N/A
A42		Luz Musashikosugi	(Note 10)	1,008,149	11	N/A
B1	Office Buildings	T&G Hamamatsucho Building	159,479	250,381	12	N/A
B3		Fukuoka Eartheon Building	213,523	132,334	1	N/A
B4		Marumasu Kojimachi Building	178,235	143,006	11	N/A
B5		Rokubancho K Building	204,134	82,011	14	N/A
B6	Office /Hotels	Shin-Osaka Central Tower	(Note 10)	1,611,332	7	N/A
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7	N/A
B8		UUR Toyochō Building	482,829	369,688	13	N/A
B9		FOUR SEASONS BLDG	333,600	281,152	11	N/A
B10		Hitachi High-Tech Building	-	250	15	N/A
B11		Pacific Marks Shinjuku Parkside	668,635	487,467	14.8	N/A
B13		Pacific Marks Tsukishima	431,741	231,379	14	N/A
B14		Pacific Marks Yokohama East	444,665	323,410	15	N/A
B17		Akasaka Hikawa Building	216,228	244,216	14	N/A
B18		Pacific Marks Shibuya Koen-dori	168,000	100,500	12	N/A
B20		Pacific Marks Akasaka-mitsuke	127,264	88,677	13	N/A
B22		Pacific Marks Shin-Yokohama	118,058	75,532	16	N/A
B25		Pacific Marks Kawasaki	615,259	476,799	17	N/A
B26		Hamamatsucho 262 Building	409,930	485,115	14	N/A
B27		Lila Hijirizaka	216,057	123,003	12	N/A
B29		Otsuka HT Building	94,166	76,177	13	N/A
B30		Pacific Marks Shinjuku South-gate	181,975	192,622	12	N/A
B31		Pacific Marks Nishi-Umeda	479,352	412,767	10	N/A
B32		Pacific Marks Higobashi	293,926	237,407	12	N/A
B35		Pacific Marks Sapporo Kita-Ichijo	162,027	158,692	1	N/A
B36		Shin-Sapporo Center Building	98,654	75,222	2	N/A
B37		ARENA TOWER	816,257	445,998	10	N/A
B38		Yushima First Building	201,479	152,423	13	N/A
B39		Dogenzaka Square	152,415	121,650	16	N/A
B40		GRAND-SQUARE Shin-Sakae	136,555	94,781	10	N/A
B41	GRAND-SQUARE Meieki-minami	148,439	107,335	10	N/A	
B42	Shiba 520 Building	194,466	135,406	13	N/A	
B43	Hirose-dori SE Building	364,823	384,966	8	N/A	
B44	Office /Hotels	SS30	(Note 10)	1,337,612	2	N/A
B45	Office Buildings	LOOP-X・M	816,510	426,544	7	N/A
C1	Hotels	Shinjuku Washington Hotel Honkan	(Note 10)	2,008,497	9	N/A
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	(Note 10)	70,000	17	N/A
C3		MZ BLD.	(Note 10)	192,803	13	N/A
C4		HOTEL ROUTE-INN Yokohama Bashamichi	(Note 10)	107,487	19	N/A
C5		Hotel JAL City Naha	(Note 10)	14,196	5	N/A
C6		UUR Yotsuya Sanhome Building	(Note 10)	206,465	14	N/A
C7		Yotsuya 213 Building	(Note 10)	239,413	13	N/A
C9		the b roppongi	(Note 10)	16,900	12	N/A

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
C10	Hotels	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	(Note 11)	(Note 11)	14.5	N/A
C11		Toyoko Inn Hiroshima Heiwa-odori	(Note 11)	(Note 11)	7	N/A
C12		Toyoko Inn Naha Kokusai-dori Miebashieki	(Note 11)	(Note 11)	2	N/A
C13		Loisir Hotel & Spa Tower Naha	(Note 10)	(Note 11)	7	N/A
C14		Royal Pines Hotel Urawa	(Note 10)	(Note 11)	10	N/A
C15		RIHGA Royal Hotel Kokura • ARUARU City	(Note 10)	1,505,775	1	N/A
C16		the b fukuoka tenjin	(Note 10)	31,443	1	N/A
C17		Henn na Hotel Tokyo Hamamatsucho	(Note 11)	(Note 11)	14.8	N/A
C18		Hotel Hewitt Koshien	(Note 11)	(Note 11)	9	N/A
C19		Smile Hotel Premium Sapporo Susukino	(Note 11)	(Note 11)	1	N/A
C20		the square hotel KANAZAWA	(Note 11)	(Note 11)	4	N/A
C21		NEST HOTEL KYOTO SHIJO-KARASUMA	(Note 11)	(Note 11)	8	N/A
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	129,336	15,361	12	N/A
D4		Komazawa Court	106,920	35,640	11	N/A
D6		UUR Court Shiba-Daimon	66,000	11,000	17	N/A
D9		Aprile Shin-Ohgi Ichibankan	(Note 11)	(Note 11)	8	N/A
D10		UUR Court Sapporo Kita-Sanjo	94,200	7,838	2	N/A
D15		CLIO Bunkyo Koishikawa	190,596	26,032	14.5	N/A
D16		GRAND-ROUGE Sakae	86,508	6,124	13	N/A
D17		GRAND-ROUGE Sakae II	69,303	6,413	13	N/A
D18		MA Sendai Building	263,731	16,548	11	N/A
D19		UUR Court Nagoya Meieki	88,414	7,381	16	N/A
D20		UUR Court Sapporo Shinoro Ichibankan	61,653	4,072	3	N/A
D21		Park Site IZUMI	54,576	11,955	12	N/A
D22		UUR Court Osaka Juso-honmachi	100,854	9,354	16	N/A
D23		UUR Court Kinshicho	212,958	34,630	14.8	N/A
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	201,317	55,484	1	N/A
D25		GLAND-ROUGE Nakanoshima-minami	106,764	9,692	15	N/A
D26		Glenpark Umeda-kita	346,308	36,698	15.5	N/A
D27		UUR Court Shiki	178,800	178,800	11	N/A
D28		GRAND-ROUGE Tanimachi Rokuhome	82,068	4,985	13	N/A
D29		Chatle Otemachi S • N	217,174	18,649	1	N/A
D30		GRAN FONTE	171,251	47,059	1	N/A
D31		Park Axis Akatsuka	99,820	22,662	12	N/A
D32		UUR Court Shirasagi	66,982	17,002	12	N/A
D33	Court Branche AP	64,596	18,878	13	N/A	
E1	Others	Lilycolor Tohoku Branch	(Note 11)	(Note 11)	11	N/A
E2		Fuchu Building (Note 13)	(Note 11)	(Note 11)	11	N/A
E3		Tsubogawa Square Building	428,001	267,993	8	N/A
E4		THE PLACE of TOKYO	(Note 11)	(Note 11)	13	N/A
E5		Logistics Higashi-Ohgishima	(Note 11)	(Note 11)	12	N/A
E6		MT Ariake Center Building I&II	(Note 11)	(Note 11)	12	N/A
E7		Quartz Tower	(Note 11)	(Note 11)	7	N/A
E8		Shin-Narashino Logistics Center	(Note 11)	(Note 11)	10	N/A
E9		Kawagoe Logistics Center	(Note 11)	(Note 11)	9	N/A

Property No.	Type of Use	Property Name	Total Annual Rent (Thousands of yen) (Note 6)	Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7)	PML (%) (Note 8)	Earthquake Insurance
E10	Others	Asuto Nagamachi Dental Clinic	(Note 11)	(Note 11)	8	N/A
E11		Shin-Narashino Logistics Center II	(Note 11)	(Note 11)	9	N/A
E12		Yoshikawa Logistics Center	(Note 11)	(Note 11)	8	N/A
E13		Musashimurayama Logistics Center	(Note 11)	(Note 11)	14	N/A
E14		Chibaminato Logistics Center (Site)	(Note 11)	(Note 11)	- (Note 12)	- (Note 12)
E15		Hirakata Nagao Logistics Center	(Note 11)	(Note 11)	8	N/A
E16		Kobe Toyahama Logistics Center	(Note 11)	(Note 11)	7	N/A
Total			41,799,827	31,247,329	6.05	

- Notes:
- The "Acquisition Price" is an amount (the amounts stated in each purchase and sale agreements excluding consumption taxes) does not include the expenses necessary for making the relevant acquisitions (e.g. agency fees, public taxes and impositions) and is rounded to the nearest million yen.
 - "Appraisal Value at the End of Period" shows the real estate appraisal values or the prices resulting from price surveys using the same methods as appraisals conducted by real estate appraisers as of May 31, 2020.
In addition, "Appraisers" shows the real estate appraisers, which conducted real estate appraisal or price surveys at the time of acquisition of each properties and continuous assessments. The appraisers are referred to as "JREI" for Japan Real Estate Institute, "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.
 - "Number of Tenants," "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of May 31, 2020. "Leasable Floor Space" means the aggregate leasable floor space of the portions owned by United Urban of individual Investment Real Estate. "Leased Floor Space" means the aggregate of the areas within the total leasable floor space that has been actually leased under lease agreements. (In principle, numerical values in "Leasable Floor Space" and "Leased Floor Space" are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies.) With regard to the portion of properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area. "Occupancy Ratio" is the percentage obtained from dividing "Leased Floor Space" by "Leasable Floor Space."
 - "Number of Tenants" figures are stated by calculating lessees that have a lease agreement concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a sublease property in which the lessee is subleasing the property to end tenants and if the lease agreement between the owner, United Urban or the asset custodian, and the lessee is a pass-through-type agreement without rental guarantee, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.
 - As a general rule, "Leased Floor Space" indicates the floor space that has been leased to end-tenants under lease agreements. However, for master lease agreements with rental guarantee, the floor spaces in the master lease agreements are indicated.
 - "Total Annual Rent" shows the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2020 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. It doesn't include variable rents. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of May 31, 2020, the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2020 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen is stated without taking into consideration the contents of the claim.
 - "Tenant Leasehold and Security Deposits" are based on data as of May 31, 2020. In addition, "Tenant Leasehold and Security Deposits" include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
 - "PML" (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at "Total" of "PML" represents the overall portfolio PML. As for properties comprised of several buildings, if the earthquake risk analysis report shows the PML of the whole property, the PML of the whole property is stated.
 - According to the soil environmental survey report on the land of this property prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement ("Reserve for Soil Improvement"), as a condition of the purchase and sale agreement of trust beneficial interest. "Book Value at the End of Period" of this trust beneficial interest reflects the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
 - These items are undisclosed as United Urban judges that the disclosure of these items may have an adverse impact on the asset management of United Urban and harm the interest of investors.
 - With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenue, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
 - Because United Urban acquired only land for these properties, there is no applicable information for the PML.
 - The property name was changed from "KDDI Fuchu Building" to "Fuchu Building" on March 25, 2020.

3. Information Concerning Tenants

Top 10 Tenants by Leased Floor Space

(As of May 31, 2020)

No.	Tenant Name	Property Name	Leased Floor Space (m ²) (Note 1)	Total Annual Rent (Thousands of yen) (Note 2)	Expiration Date of Contract
1	RIHGA Royal Hotel Kokura Co., Ltd.	RIHGA Royal Hotel Kokura · ARUARU City	58,297.75	(Note 3)	March 31, 2025
2	Ito-Yokado Co., Ltd.	Ito-Yokado Owariasahi	54,606.34	(Note 3)	(Note 5)
3	SBS Logicom Co., Ltd.	· Kawagoe Logistics Center · Yoshikawa Logistics Center	51,157.46	(Note 3)	· Kawagoe Logistics Center August 31, 2027 · Yoshikawa Logistics Center July 26, 2027
4	Yamada Denki Co., Ltd.	· Kaden Sumairu-kan YAMADA Sakai Honten · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) · Yamada Denki Tecc Land Aoba (Site) · Kaden Sumairu-kan YAMADA Matsudo Honten	49,897.43	(Note 3)	· Kaden Sumairu-kan YAMADA Sakai Honten May 9, 2026 · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) November 15, 2020, etc. (Note 6) · Yamada Denki Tecc Land Aoba (Site) May 31, 2040 · Kaden Sumairu-kan YAMADA Matsudo Honten August 20, 2029
5	FUJITA KANKO INC.	Shinjuku Washington Hotel-Honkan	49,352.65	(Note 4)	October 31, 2023, etc. (Note 6)
6	UNY Co., Ltd.	Narumi Shopping Center (Site)	46,362.44	(Note 3)	November 19, 2024, etc. (Note 6)
7	Loisir Hotels Okinawa Co., Ltd.	Loisir Hotel & Spa Tower Naha	45,731.16	(Note 4)	March 31, 2026
8	Yodobashi Camera Co., Ltd.	Yodobashi Camera Multimedia Kichijoji	37,932.95	(Note 3)	May 31, 2037
9	Toshiba Electronic Devices & Storage Corporation	Kawasaki Toshiba Building	36,142.30	1,665,139	October 20, 2023
10	L'hotel de Koshien Co., Ltd.	Hotel Hewitt Koshien	33,704.06	(Note 3)	October 31, 2028

- Notes: 1. In principle, numerical values in “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. In addition, in the case of a master lease agreement without rental guarantee, “Leased Floor Space” is counted based on the end-tenants who are actually using the property, not based on the tenants who have the lease agreement between the owner, United Urban or the asset custodian.
2. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2020 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. It doesn't include variable rents. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent.
3. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenues, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
4. These items are undisclosed as United Urban judges that the disclosure of these items may have an adverse impact on the asset management of United Urban and harm the interest of investors.
5. As for Ito-Yokado Owariasahi, the due date for the renewal of lease agreement has arrived on November 11, 2018. However, United Urban hasn't finished the renewal of lease agreement with a lessee as of May 31, 2020, and the expiration date of contract has not yet been determined.
6. An expiration date of the representative agreement is stated because there are several lease agreements.

(2) Capital Expenditures

1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of May 31, 2020. These scheduled amounts include both portions to be capitalized and expensed.

Name of Properties	Location	Purpose	Scheduled Period	Amount Projected (Millions of yen)		
				Total amount	Amount payable in the 33rd fiscal period	Amount already paid
TENJIN LUCE	Fukuoka, Fukuoka	Renewal construction (2nd floor to B1F)	From December 2019 to July 2020	286	-	-
Hitachi High-Tech Building	Minato-ku, Tokyo	Restoration work	From July 2020 to November 2020	121	-	-
Hitachi High-Tech Building	Minato-ku, Tokyo	Restoration work	From December 2020 to May 2021	121	-	-
MZ BLD.	Hachioji, Tokyo	Renewal of air-conditioning facilities	From August 2020 to January 2021	111	-	-
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms (3rd period)	From December 2020 to February 2021	150	-	-
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms (4th period)	From January 2021 to February 2021	171	-	-
Glenpark Umeda-kita	Osaka, Osaka	Repair of common area	From November 2020 to March 2021	121	-	-

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 33rd fiscal period, which totaled ¥1,361 million. Together with ¥978 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥2,339 million.

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
Mallage Kashiwa	Kashiwa, Chiba	Renewal of air-conditioning facilities (Part I building)	From November 2019 to December 2019	75
Shin-Osaka Central Tower	Osaka, Osaka	Renewal of air-conditioners of 1st floor of North building (lobby, rental space)	From July 2019 to May 2020	33
Kawasaki Toshiba Building	Kawasaki, Kanagawa	Renewal of water receiving tank for industrial water	From April 2020 to May 2020	47
SS30	Sendai, Miyagi	Renewal of water receiving tank for clean water	From December 2019 to May 2020	34
LOOP-X • M	Minato-ku, Tokyo	Renewal toilets and staff kitchen of office building (in some floors)	From December 2019 to March 2020	31
Royal Pines Hotel Urawa	Saitama, Saitama	Renewal of hot water heater for the upper floors	From May 2020 to May 2020	31
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Renewal of dimming board of Royal Hall (hotel building)	From January 2020 to May 2020	39
RIHGA Royal Hotel Kokura • ARUARU City	Kitakyushu, Fukuoka	Repair of guest rooms of hotel building (26F-27F)	From January 2020 to February 2020	98
Other capital expenditures				971
Total				1,361

3. Cash Reserved for Long-Term Repair and Maintenance Plan

Based on the long-term repair and maintenance plan formulated for each of its properties, United Urban sets aside a repair and maintenance reserve out of cash flow during each fiscal period, as outlined below, for the purpose of large-scale repairs and maintenance for the medium to long term.

(Millions of yen)

	29th Fiscal Period (December 1, 2017 - May 31, 2018)	30th Fiscal Period (June 1, 2018 - November 30, 2018)	31st Fiscal Period (December 1, 2018 - May 31, 2019)	32nd Fiscal Period (June 1, 2019 - November 30, 2019)	33rd Fiscal Period (December 1, 2019 - May 31, 2020)
Reserve balance at the beginning of period	1,308	1,417	1,465	1,490	1,634
Addition to the reserve during the period (Note)	165	51	75	154	16
Reduction of reserve during the period	56	4	50	10	41
Reserve balance to be carried over to the next of period	1,417	1,465	1,490	1,634	1,609

Note: When United Urban assumes all or part of the reserve accumulated within the trust assets by the previous owners in connection with the sale and purchase of trust beneficial interests, the amount of the portion so assumed is stated as part of the addition to the reserve in the relevant period.